

BA-PHALABORWA MUNICIPALITY

2012/13 DRAFT ANNUAL REPORT



REPORT SIGNED BY:

Dr. SS Sebashe
Municipal Manager

Date:

Cllr NA Sono
Mayor

Date:

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY	7
COMPONENT A: MAYOR’S FOREWORD.....	7
COMPONENT B: EXECUTIVE SUMMARY	9
1.1. MUNICIPAL MANAGER’S OVERVIEW	10
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW	13
1.3. SERVICE DELIVERY OVERVIEW	16
1.4. FINANCIAL HEALTH OVERVIEW.....	17
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW.....	18
1.6. AUDITOR GENERAL REPORT	18
1.7. STATUTORY ANNUAL REPORT PROCESS	18
CHAPTER 2 – GOVERNANCE	20
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE.....	20
2.1 POLITICAL GOVERNANCE	20
2.2 ADMINISTRATIVE GOVERNANCE	21
COMPONENT B: INTERGOVERNMENTAL RELATIONS.....	24
2.3 INTERGOVERNMENTAL RELATIONS.....	25
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	25
2.4 PUBLIC MEETINGS.....	26
2.5 IDP PARTICIPATION AND ALIGNMENT	28
COMPONENT D: CORPORATE GOVERNANCE	29
2.6 RISK MANAGEMENT	29
2.7 ANTI-CORRUPTION AND FRAUD	31
2.8 SUPPLY CHAIN MANAGEMENT	35
2.9 BY-LAWS	35
2.10 WEBSITES	35
2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES.....	36
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I).....	39
COMPONENT A: BASIC SERVICES.....	39

3.1.	WATER PROVISION	39
3.2	WASTE WATER (SANITATION) PROVISION.....	43
3.3	ELECTRICITY	46
3.4	WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)	49
3.5	HOUSING.....	53
3.6	FREE BASIC SERVICES AND INDIGENT SUPPORT	55
COMPONENT B: ROAD TRANSPORT		57
3.7	ROADS.....	57
3.8	TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)	59
3.9	WASTE WATER (STORMWATER DRAINAGE).....	59
COMPONENT C: PLANNING AND DEVELOPMENT		60
3.10	PLANNING	60
3.11	LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)	62
COMPONENT D: COMMUNITY & SOCIAL SERVICES		65
3.12	LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)	65
3.13	CEMETORIES AND CREMATORIALS.....	67
COMPONENT E: ENVIRONMENTAL PROTECTION.....		68
3.14	BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)	68
COMPONENT F: HEALTH.....		69
3.15	HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC	69
COMPONENT G: SECURITY AND SAFETY.....		69
3.16	OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)	69
COMPONENT H: SPORT AND RECREATION		70
3.17	SPORT AND RECREATION.....	69
COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES.....		71
3.18	EXECUTIVE AND COUNCIL.....	71
3.19	FINANCIAL SERVICES.....	71

3.20	HUMAN RESOURCE SERVICES.....	72
3.21	INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	74
3.22	PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES	74
CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE		77
(PERFORMANCE REPORT PART II).....		77
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL		77
4.1	EMPLOYEE TOTALS, TURNOVER AND VACANCIES.....	77
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE		80
4.2	POLICIES.....	80
4.3	INJURIES, SICKNESS AND SUSPENSIONS	81
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE		82
4.5	SKILLS DEVELOPMENT AND TRAINING	83
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE		86
4.6	EMPLOYEE EXPENDITURE	86
CHAPTER 5 – FINANCIAL PERFORMANCE		88
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE		88
5.1	STATEMENTS OF FINANCIAL PERFORMANCE	88
5.2	GRANTS.....	91
5.3	ASSET MANAGEMENT.....	92
5.4	FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS.....	94
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET		96
5.5	CAPITAL EXPENDITURE	96
5.6	SOURCES OF FINANCE.....	95
5.7	CAPITAL SPENDING ON 5 LARGEST PROJECTS	98
5.8	BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW	97
COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS		98
5.9	CASH FLOW	100
5.10	BORROWING AND INVESTMENTS.....	101

5.11	PUBLIC PRIVATE PARTNERSHIPS	103
	COMPONENT D: OTHER FINANCIAL MATTERS	103
5.12	SUPPLY CHAIN MANAGEMENT	103
5.13	GRAP COMPLIANCE	103
	CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS.....	104
	COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2007/08.....	104
6.1	AUDITOR GENERAL REPORTS 2011/12	104
	COMPONENT B: AUDITOR-GENERAL OPINION 2012/13	104
6.2	AUDITOR GENERAL REPORT 2012/13.....	104
	GLOSSARY	106
	APPENDICES.....	109
	APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE	107
	APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES	109
	APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE.....	110
	APPENDIX D – WARD REPORTING	112
	APPENDIX E– WARD INFORMATION.....	112
	APPENDIX F – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2012/13	114
	APPENDIX G – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS.....	114
	APPENDIX H – DISCLOSURES OF FINANCIAL INTERESTS.....	116
	APPENDIX I: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE	118
	APPENDIX I(i): REVENUE COLLECTION PERFORMANCE BY VOTE	118
	APPENDIX I(ii): REVENUE COLLECTION PERFORMANCE BY SOURCE.....	117
	APPENDIX J: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG	118
	APPENDIX K: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES.....	119
	APPENDIX K(i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME.....	119
	APPENDIX L - CAPITAL PROGRAMME PROJECT.....	123
	APPENDIX M - ANNUAL PERFORMANCE REPORT 12/13.....	133
	VOLUME II: ANNUAL FINANCIAL STATEMENTS	122

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

MAYOR'S FOREWORD



It is my privilege to present the Annual report for the 2012/13 financial year. I would like to take this opportunity to thank our residential and business communities and our stakeholders for their support and contributions as we passionately working towards our vision of been "*To be the Best Tourist Destination in Limpopo by 2020*".

During the 2012/13 financial year the municipality did not perform well with regard to own funded projects. The under-performance was due to financial constraints as a result of low revenue collection. The other highlight for the year was that the municipality managed to spend all funds allocated to Municipal Infrastructure Grant (MIG), that is, 100 % spending, quiet well before the end of the financial year. This good achievement was due to the utilization of forward planning in terms of implementation of conditional grants funded projects.

During the year under review, we had low revenue collection and this affected the implementation of some of the own funded projects. However, after having realised the challenges in terms of revenue collection the municipality appointed a debt collector and intensified on the implementation of the Credit Control policies. Despite all the challenges experienced during the financial year, the efforts by the team members enabled us to deliver and achieve the following:

Achievements:

- Connected all 48 new water meters as applied by consumers;
- Improved the water quality level as per the blue drop standards from 60% to 92%;
- Connected 1825 consumer units to the electricity network;
- Upgraded 4.3 Km of gravel roads to paving;
- Created 1293 jobs through municipal activities inclusive of CWP programme;
- Supported 604 SMMEs through Supply Chain Management processes; and
- Local suppliers were allocated bids to the value of R8.3 Million.

Key challenges for the 2012/13 financial year:

- The key challenges for the 2012/13 financial year are amongst others the following:
- Low revenue collection which affected implementation of own funded capital projects;

- Old water and electricity network;
- Implementation of own funded capital projects;
- Establishment of new landfill site due to land claims;
- Implementation of the Ba-Phalaborwa High Mast lights projects due to litigations;
- Reviewing of the Tourism development Strategy; and
- Addressing audit queries raised by AG to improve audit opinion.

We present this report mindful that many infrastructure, social, economic and environmental development challenges remain and furthermore urge our communities to pay for their services in order to able the municipality to continuing offering good, sustainable services. However, we take pride in the difference we have made in the lives of many of our people in this financial year. Furthermore, this report is presented acknowledging the contributions of Members of the Executive Committee, all other councillors, management and staff, our strategic partners and communities themselves.

Cllr NA Sono

Mayor

COMPONENT B: EXECUTIVE SUMMARY



1.1. MUNICIPAL MANAGER'S OVERVIEW

This annual report has been compiled as per the provisions of Section 46 of the Local Government: Municipal Systems Act 32 of 2000 which mandates a municipality to prepare an annual report for each financial year reflecting the performance of the municipality and of each external service provider during the financial year.

This report will record progress made by the municipality in fulfilling its objectives as reflected in the IDP, the Budget and the Service Delivery Implementation Plan. It will also reflect on the challenges encountered during the financial year.

The annual performance of the municipality will be presented in terms of Key Performance Areas and performance indicators as approved by the Mayor in the Service Delivery Implementation Plan as follows:

KPA 1: Municipal Transformation & Institutional Development

The key performance area had 27 key performance indicators and the municipality managed to record good performance on 26 key performance indicators which constitutes 96.3 % of the total KPA scores. The under-performance in this key performance area was on the expenditure incurred on the implementation of municipal workplace skills plan. This was as a result of suspension of implementation of programmes due to financial constraints caused by low revenue collection.

KPA 2: Basic Service Delivery

The key performance indicators in this Key Performance Area were 43 and the municipality performed well on 28 key performance indicators which constitutes 65,1%; 7 key performance indicators were still in progress which will be finalised in the next financial year which reflects 16, 3%. The municipality reported non-performance on 8 key performance indicators, representing 18, 6% of the total scores for this key performance area.

The non-performance recorded was due to own funded projects not implemented as a result of financial constraints (low revenue collection).

KPA 3: Local Economic Development

In this Key Performance Area, the municipality identified 11 key performance indicators and achieved good performance on 9 key performance indicators which represent 82%. The review of the LED Strategy is in process and is to be finalised by the end of the 2013/14 financial year and it represent 9%. The municipality recorded non-performance on the review of the Tourism Strategy which constitutes 9% of the total KPA score.

KPA 4: Municipal Financial Viability

The Key Performance Area had 28 key performance indicators during the 2012/13 financial year and the municipality achieved good performance on 24 key performance indicators which represents 86% of the total KPA score. The municipality reported non-performance in 4 key performance indicators constituting 14% of the total KPA score. The under-performance was as a result of low revenue collection.

KPA 5: Good Governance and Public Participation

This Key Performance Area had 41 key performance indicators and recorded good performance on 31 key performance indicators which represent 76% of the total KPA score. The municipality reported non-performance on 11 key performance indicators constituting 24% of the total KPA score.

Overall Performance of the municipality

For the 2012/13 financial year the municipality had 5 Key Performance Areas with combined key performance indicators totalling 150. The municipality recorded good performance on 118 key performance indicators constituting 79% and a non-performance of 32 key performance indicators representing 21% of the total key performance indicators identified by the municipality.

The grants allocated to the Municipality were spent as follows:

MIG	– 100%
INEG	– 100%
MSIG	– 100%
FMG	– 100%

During 2012/13 financial year the municipality did not perform well with regard to the implementation of own funded projects. This was due to low revenue collection as a result of culture of non-payment by townships. However, during the period under review after noting this challenge the municipality intensified on the implementation of credit control policies and further appointed a debt collector to assist in collecting debt over 180 days.

The municipality had challenges with addressing of AG queries. The main challenges were with asset management (land and buildings). However, the municipality managed to identify all challenges and developed a plan which was presented to council on how to resolve property vesting issues. Throughout the financial year, the Municipality had audit steering committee meetings which monitored the implementation plan of both AG queries, recommendations of the Audit Committee and the Internal Audit queries.

The following were challenges encountered during the 2012/13 financial year:

- Low revenue collection due to culture of non-payment;
- Old water and electricity network;
- Establishment of new landfill site;
- Implementation of Ba-Phalaborwa High Mast Lights;
- Reviewing the Tourism Development Strategy; and Addressing audit queries to improve audit opinion; and Opening balances for prior year.

I would like to thank the Mayor, Members of the Executive Committee, all councillors, senior management and all staff members for their commitment and contributions in making 2012/13 financial year a success.

DR SS SEBASHE
MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Ba-Phalaborwa Municipality is a Category B municipality established in terms of Section 155 of the Constitution and strives to achieve the following objects of local government (as enshrined in Section 152 of the Constitution):

- ✓ To provide democratic and accountable government for local communities;
- ✓ To ensure the provision of services to communities in a sustainable manner;
- ✓ To promote social and economic development;
- ✓ To promote a safe and healthy environment; and
- ✓ To encourage the involvement of communities and community organisations in the matters of local government.

The Municipality is situated in the North-Eastern part of South Africa in the Limpopo Province. It is one of the five local municipalities in the Mopani District family of municipalities. It has a geographical area of 7461.6 km² that constitutes more than 27% of the Mopani District. It serves as a convenient gateway to the Kruger National Park and the Transfrontier Park through the Mozambique Coast.

Population

The table below compares municipal demographics as presented by Statistics South Africa (STATS SA) in the 2001 Census and the 2011 Census.

Key Challenges facing the Municipality

The Municipality is faced with developmental challenges in terms of service delivery provision. The state of electricity infrastructure, roads, water and sanitation in Phalaborwa needs urgent attention. The demand for services in the townships and the rural areas puts a lot of pressure on the municipality given the revenue challenges that the municipality has.

The municipality is also faced with some governance with regard to internal control systems as reflected by the Auditor General's opinion on the municipal audit of 2011-12 financial years and also reflected in the Municipality's Annual Report.

Municipality's Key Priorities for 2012-13

Through the process of ward-based planning and review of the municipality performance and the strategic session, the municipality was able to develop key priority issues for the 2013/14 financial year. The priorities are detailed in the Strategic Plan document of the municipality (chapter 3 of the Draft IDP 2012/13). Key among the municipality priorities is the refurbishment of electricity infrastructure in Phalaborwa and the upgrading of roads. Also to ensure that internal controls are in place in order to get the clean audit opinion.

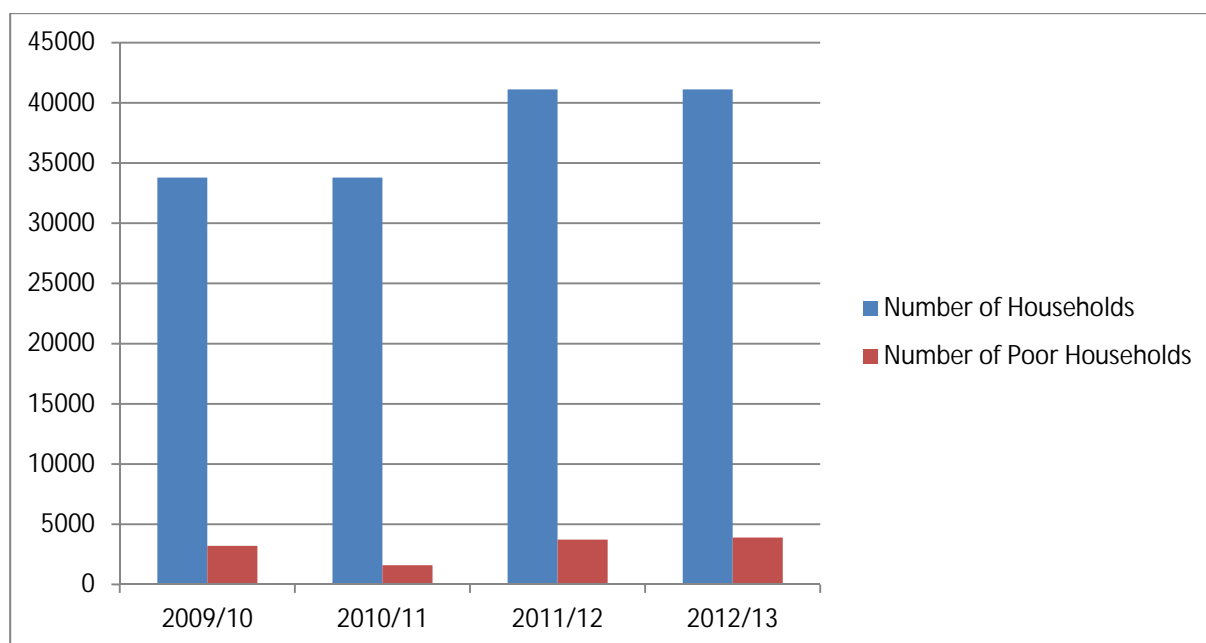
Municipal Key Objectives for 2012/13

- Integrate social development and services for sustainability
- Integrate technical and social infrastructure and services for sustainability
- Sustain the environment
- Improve financial viability
- Enhance stakeholder involvement
- Facilitate sustainable development
- Advance good corporate governance
- Develop tourism and grow the economy

Municipal Demographics based on 2001 Census and 2011 Census

Census 2001		Census 2011		Difference	
Population	Households	Population	Households	Population	Households
131 098	33 529	150 637	41 115	19 539 (13%)	7 586 (18%)

Population Details									
									Population 150 495
Age	2009/10 (1996)			2010/11 (2001)			2011/12 (2011)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	5 805	6 183	11 988	7 516	7 676	15 192	9 721	9 721	19 433
5-9	6 260	6 447	12 707	7 203	7 654	14 857	7 536	7 848	15 384
10-19	6 189	6 404	12 593	7 345	7 490	14 835	7 118	7 555	14 674
20-24	5 313	5 276	10 589	6 519	7 230	13 749	8 132	7 995	16 127
25-29	5 196	4 640	9 836	5 924	6 390	12 314	6 842	7 371	14 195
30-34	4 073	4 171	8 244	4 735	5 169	9 904	5 392	6 016	11 407
35-39	3 595	3 571	7 166	4 169	4 654	8 823	4 649	5 390	10 039
40-44	3 155	2 833	5 988	3 681	3 865	7 546	3 886	4 395	8 282
45-49	2 662	2 077	4 739	3 419	3 041	6 460	3 103	3 787	6 890
50-54	1 995	1 280	3 275	2 708	2 139	4 847	2 691	2 852	5 542
55-59	1 390	1 100	2 490	1 783	1 212	2 995	2 415	2 252	4 667
60-64	725	890	1 615	1 167	1 102	2 269	1 660	1 620	3 280
65-69	542	662	1 204	495	837	1 332	957	1 206	2 163
70-74	299	333	632	420	657	1 077	651	957	1 608
75-79	201	276	477	223	297	520	339	632	972
80-84	92	126	218	128	244	372	203	444	647
85+	91	137	228	69	139	208	118	321	439
Total	53 198	52 089	105 287	64 356	67 180	131 536	72 923	77 572	150 495
Source: Statistics SA					T1.2.2				



Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment rate	Proportion of households with no income	Proportion of population in low-skilled employment	HIV/AIDS prevalence	Illiterate people older than 14 years
2010/11	4012 (11.9%)	38.8%	11%	56.8%	23.8%	
2011/12	4012 (11.9%)	38.8%	11%	56%	25.2%	
2012/13	4012 (11.9%)	38.8%	11%	56%	25.2% *	
						T1.2.4

*District Prevalence rate (Source: Dept of Health 2012)

Overview of neighborhoods within `Name of Municipality`		
Settlements Type	Households	Population
Towns		
Phalaborwa	3389	13976
Sub-Total		
Townships		
Namakgale	8398	25808
Iulekani	3843	20917
Gravelotte	757	
Sub-total		
Rural Settlements		
Selwane	2932	12326
Makhushane	3550	6608
Maseke	1985	7830
Mashishimale	3967	7002
Majeje (incl Benfarm A, B, C, Humulani & Matikoxikaya)	5315	29226
Sub-total		

Informal Settlements		
kurhula	544	
Tshelang Gape		
Sub-total		
Total	34680	150637
T1.2.6		

Source: Ba-Phalaborwa Municipality GPS 2012

Natural Resources		
Major Natural Resource (Phalaborwa Area)	Major Natural Resource (Murchison area)	Relevance to Community
Magnetite	Mineral sand	Economic (mining)
Copper	Antimony	Economic (mining)
Vermiculite	Gold	Economic (mining)
Nickel	Zinc	Economic (mining)
Apatite	Mercury	Economic (mining)
Zirconium	Paving and clad stones	Economic (mining)
Titanium	Emeralds	Economic (mining)
Uranium	Ilmenite	Economic (mining)
T1.2.7		

Ba-Phalaborwa has the highest concentration of minerals in the Mopani District hence mining is the largest economic sector in the Municipality and is also the largest employer. The table below shows mining's percentage contribution to the municipal GDP and to employment.

1.3 SERVICE DELIVERY OVERVIEW

There are 41116 households in Ba-Phalaborwa municipality of which 82% households receive water adequately, 11% households has infrastructure which need to be upgraded so that community receive water supply continuously and 7% households has no infrastructure as result of new development in the area.

Services	Households received services (2012/2013)	Total No of Households have access to basic services	comment
Water connected to yard	48	48	Only 48 application received
Electricity	1827	1827	Insufficient budget for Nyakelani and Malungane electrification minimize the number of households to access electricity
Roads			4.3 km gravel roads was

			upgraded to pavement.
			T1.3.1

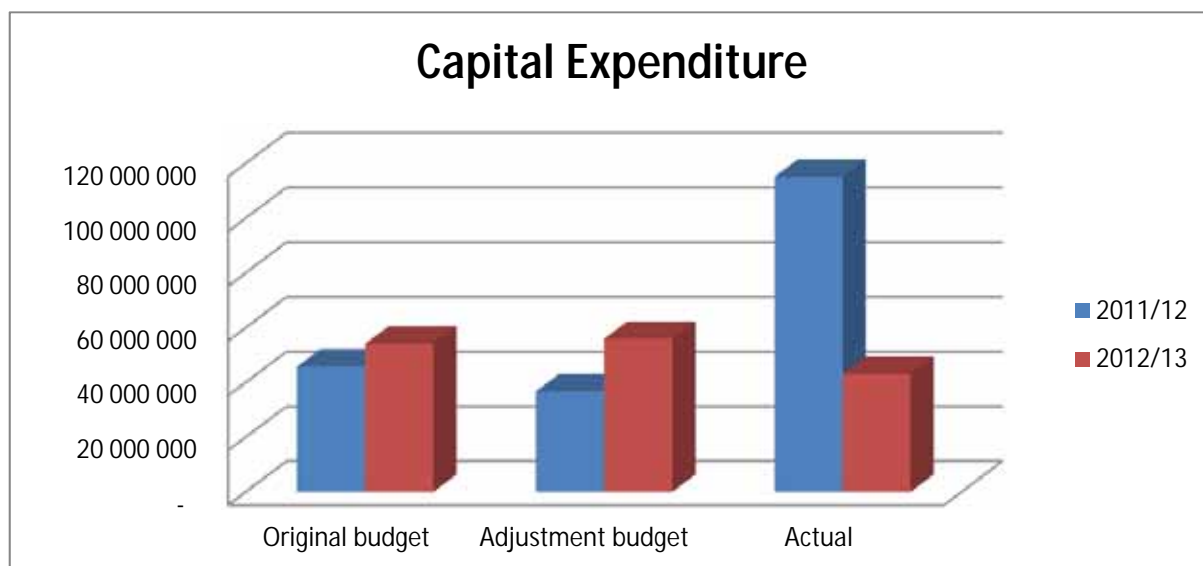
1.4 FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

Financial Overview – 2012/13			
Details	Original Budget	Adjustment Budget	Actual
Income	251,862,137	249,451,137	190,425,838
Grants	95,539,000	99,039,000	98,366,654
Sub Total	347,401,137	348,490,137	288,792,492
Less Expenditure	347,400,787	445,030,129	398,122,044
Net Total	- 0	- 96,540,342	- 109,156,896

Operating Ratios	
Detail	%
Employee Cost	25.8
Repairs & Maintenance	3.1
Finance Charges & Depreciation	0.2
T1.4.3	

Total Capital Expenditure 2010/11– 2012/13		
Detail		
	2011/12	2012/13
Original budget	45,701,000	54,117,400
Adjustment budget	36,701,000	55,921,400
Actual	115,103,573	42,991,000
T1.4.4		



1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT 12/13	
DISCLAIMER OPINION	

STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	31/07/13
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	01/07/13
3	Finalise 4 th quarter Report for previous financial year	12/07/13
4	Submit draft Annual Report to Internal Audit and Auditor-General	30/08/13
5	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	30/08/13
6	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	30/08/13

7	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
8	Municipalities receive and start to address the Auditor General's comments	November
9	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	30/01/14
10	Audited Annual Report is made public and representation is invited	04/02/14
11	Oversight Committee assesses Annual Report	February
12	Council adopts Oversight report	31/03/14
13	Oversight report is made public	09/04/14
14	Oversight report is submitted to relevant provincial councils	09/04/14
T1.7.1		

COMMENT ON THE ANNUAL REPORT PROCESS:

The Municipality approved the IDP, Budget and PMS Framework and Process Plan which incorporates the Annual Report process in July 2012. The process was developed in line with the MFMA calendar. The municipality has done well in terms of the implementation of the Annual Report Process. An IDP, Budget and Process Plan Checklist was developed to ensure the monitoring of the Process Plan implementation.

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Politically, the Mayor is the head of the municipality. In managing the affairs of the municipality, the mayor delegated some of the responsibilities to Members of the Executive Committee who lead the different portfolio committees. The Heads of Portfolio committee will account to the Mayor on the affairs of their respective directorates during the Executive Committee meetings wherein monthly reports of directorates are discussed. The Executive Committee do oversight on the portfolio committee reports and recommends to council for approval.

The Municipal Manager as the administrative head of the institution deals with daily affairs of the municipality. All directors are responsible for the affairs of their respective departments and on a monthly basis reports are presented to the municipal manager during senior management meetings. The recommendations of senior management are presented to respective portfolio committees by the responsible directors in order for chairpersons and members of the portfolio committees to do oversight and take ownership of the reports.

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Mayor is the political head in the institution. The municipality has the political management team comprising of the Mayor, Speaker and Chief which meet on regular basis to discuss the affairs of the municipality in order to give political direction.

The municipality have established portfolio committees which are led by members of the Executive Committee. The portfolio committees do oversight on all the reports that are to be processed to the executive committee meetings. The municipality further established Municipal Public Accounts Committee which probes the financial reports of the municipality and provides some recommendations and advice for implementation by council. The Audit Committee also do oversight on performance information and provide some opinions and recommendations for implementation.

The annual report is tabled by the mayor in council and thereafter referred to MPAC for probing. For purposes of transparency, the annual report will also be published in the website and copies of it placed in all municipal buildings, in order to afford members of the public access and forward their comments. The MPAC after probing will table a report to council for approval.

T2.1.1

POLITICAL STRUCTURE		
Structure	Name of Public Representative	Function
MAYOR	CIlr NA Sono	<ul style="list-style-type: none"> ✓ Presides at meetings of the executive committee; and ✓ Performs the duties, including ceremonial functions, and exercises the powers delegated to by the Council
SPEAKER	CIlr MD Maake	<ul style="list-style-type: none"> ✓ The Speaker of Council – ✓ Presides at meetings of Council; ✓ Performs the duties and exercises the powers delegated to the Speaker in terms of Section 59 of the Municipal Systems Act; ✓ Must ensure that the Council meet at least quarterly; ✓ Must maintain order during meetings; ✓ Must ensure compliance in the Council and Council committees with the Code of Conduct set out in Schedule 1 of the Municipal Systems Act; and ✓ Must ensure that Council meetings are conducted in accordance with the rules and orders of the Council.
CHIEF WHIP	CIlr SL Mohlala	<ul style="list-style-type: none"> ✓ Responsible for political management of Council meetings and committee meetings. Maintains party relations and ensure that political decision-making takes place timeously and diligently.

COUNCILLORS

Ba-Phalaborwa Municipality have 36 Councillors of which 18 are ward Councillors and 18 is proportional Councillors.

T2.1.2

POLITICAL DECISION-TAKING

The municipality develop a corporate calendar which is approved by council. The calendar will direct all activities of the municipality including Portfolio committee meetings, EXCO meetings and Council meetings. The portfolio committees which are led by members of EXCO do oversight on reports of different directorates and recommend their decisions to the Executive Committee Meeting which is chaired by the Mayor. The Executive Committee will further oversight on the reports of portfolio committees and recommend to Council which take decisions in terms of passing of resolutions. The resolutions are decisions taken by politicians for administration to implement.

During the financial year under review 312 Council resolutions were implemented. All council resolutions were implemented. Implementation of council resolutions reported in the next Council sitting.

T2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The municipal manager oversees all financial matters of the institution and the municipality further approved delegations of powers wherein all senior managers are delegated responsibilities. The financial matters are delegated to the Chief Financial Officer, Administration and Human Resources matters are delegated to the Director: Corporate Services; Planning and development issues are delegated to the Director: Planning & Development; Service delivery matters are delegated to both Director: Technical Services and Director: Community and Social Services.

All the different directorates executed their roles as per the approved delegation of powers in consultation with the municipal manager.

T2.2.1

TOP ADMINISTRATIVE STRUCTURE

Structure	Name of Official	Function
Municipal Manager	Dr SS Sebashe	The head of administration and also the Accounting Officer for Ba-Phalaborwa Municipality. Provides guidance and advice on compliance financial and all legislation to the political structures, political office bearers and officials.
Director Corporate Services	Ms IM Moakamela	✓ Renders Human Resource Management Services by Skills Development and Training Services;

TOP ADMINISTRATIVE STRUCTURE		
Structure	Name of Official	Function
		<ul style="list-style-type: none"> ✓ Manages communication and information services to the municipality particularly IT utilization and support services; ✓ Provides secretarial services to the Council, the Executive Committee, Section 80 committee, section 79 committees; ✓ Provides legal advisory services with regard to policies, by-laws and labour relations as well as interpretation of legislation; and ✓ Provides administrative support to the department by rendering support to satellite offices and rendering messenger services and ancillary services.
Director Community and Social Services	Mr JW Bayana	<ul style="list-style-type: none"> ✓ Manages the parks and cemeteries; ✓ Manages the waste management; ✓ Manages special programmes in relation to youth, gender; ✓ Attends to environmental management; ✓ Manages the library services; ✓ Lead and direct strategic objectives of the municipality in relation to health; ✓ Regulate and manage traffic, enforce by-laws and educate the public on road safety; and ✓ Oversee the management of licensing section and testing station.
Director Technical Services	K Mpharalala (Acting)	<ul style="list-style-type: none"> ✓ Manages engineering services by designing civil engineering structures and rendering mechanical and

TOP ADMINISTRATIVE STRUCTURE		
Structure	Name of Official	Function
		<p>electrical engineering services;</p> <ul style="list-style-type: none"> ✓ Render project management services by administering contracts for all civil infrastructure projects and amongst others managing local capacity building; and ✓ Renders building control services by administering building plans, conducting building inspections and doing minor maintenance on council buildings.
Director Economic Development, Spatial Planning and Human Settlements	Ms KM Choenyana	<ul style="list-style-type: none"> ✓ Renders spatial planning for land development; ✓ Manages land use on behalf of the municipality; ✓ Formulates, implements and maintains comprehensive local economic development plans; ✓ Promotes tourism, agriculture and alleviation of poverty; ✓ Promotes trade and industry; ✓ Manages the valuation roll of the municipality; ✓ Formulates and implementation of integrated development strategy planning; ✓ Manages the municipality's performance management system; and ✓ Approves rezoning application in respect of land within the area.
Chief Financial Officer	Mr AF Mushwana	<ul style="list-style-type: none"> ✓ Administratively in charge of the budget of the municipality and treasury office; ✓ Assist the Municipal Manager in the

TOP ADMINISTRATIVE STRUCTURE		
Structure	Name of Official	Function
		<p>administration of the municipality's bank accounts and the preparation and implementation of the municipality's budget;</p> <ul style="list-style-type: none"> ✓ Renders fleet management; ✓ Manages the revenue collection of the municipality; and ✓ Renders supply chain management.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The municipality as a sphere of government work in corporation with the government entities. In terms of provision of services the municipality work hand in hand with other government institutions. With regard to provision of water the district municipality assist local municipalities to be able to provide the service as they are the WSA. The Provincial departments also support municipalities; the Department of Corporative Governance Human Settlements and Traditional Affairs support municipalities through allocation of RDP houses in line with the needs submitted by the municipality.

Treasury support the municipality with regard to management of financial affairs of the municipality.

T 2.3.0

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality accounts to the public through various mechanisms as adopted by council. On a quarterly basis the municipality conduct feedback sessions to community members through mayoral imbizos. Furthermore, ward councillors accounts to their respective constituencies through monthly ward committee meetings. On a quarterly basis the municipality hold council meetings wherein reports and affairs of the municipality are discussed and public members are invited in these council meetings.

The municipality also utilizes its website to publish reports documents etc. As per the provision of section 75 of the MFMA. During the probing of the annual report MPAC conducts public hearing and in these hearings members of the community are invited to observe the proceedings.

The municipality adopts a process plan which guides all activities in terms of the preparation of the IDP, Budget and PMS. In line with the approved process plan by council, the municipality conducts quarterly mayoral imbizos wherein progress in terms of the implementation of the approved IDP, Budget and PMS is given to the community and at the same time the municipality will do consultation with community members on the development and review of the IDP, Budget and PMS for the next financial year.

Through- out the financial year feedback sessions are conducted on a quarterly basis in order to account to the community on the progress made and furthermore planning for the next financial year as the processes run simultaneously.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

The municipality has established a unit which deals with communication; the unit is also responsible for marketing the institution and communicating all activities of the municipality.

The municipality accounts to the public through various mechanisms as adopted by council. On a quarterly basis the municipality conduct feedback sessions to community members through mayoral imbizos. Furthermore, ward councillors accounts to their respective constituencies through monthly ward committee meetings. On a quarterly basis the municipality hold council meetings wherein reports and affairs of the municipality are discussed and public members are invited in these council meetings.

The municipality also utilizes its website to publish reports documents etc. As per the provision of section 75 of the MFMA. During the probing of the annual report MPAC conducts public hearing and in these hearings members of the community are invited to observe the proceedings.

Furthermore, the municipality puts complaints registers in strategic positions for members of the community and staff members to include their compliments and complaints.

The municipality further employs local Radio station and news papers to communicate with our communities.

WARD COMMITTEES

Key purpose of ward committees and major issues that the ward committee has dealt with during the year

- They serve as an official's specialised participatory structure within the Municipality area of jurisdiction
- They facilitate community between the community and the municipality
- They assist the ward councillor in identifying conditions, challenges and needs of the residence within the ward
- They disseminate information in the ward concerning municipal affairs
- They receive queries and complaints from residence in the ward concerning municipal service delivery; communicate such queries and complaints to the municipality and advice the community on the municipality's responses

- They interact with other forums and organisations on matters and policies affecting the ward
- They also serve as a mobilising agent for community actions

Public Meetings					
Nature and purpose of meeting	Date of events	Number of participating Municipal Councilors	Number of participating Municipal administrators	Number of community members attending	Dates and manner of feedback given to community
Rep Forum	26/07/13	25		44	
Rep forum	25/09/13	19	11	19	
Rep Forum	29/01/13	31	6	32	
Rep Forum	18/03/13	21	8		
Rep Forum	15/05/13			28	
Rep Forum	28/02/13	37	6	60	
Rep Forum	15/05/13	24	15		
Mayoral Imbizo	11/08/21	21	4	345	Shortage of water, Electricity and bad condition of roads
Mayoral Imbizo	17/11/12	15	6	195	Implementation of Municipal By-Laws, Shortage of water and a need for culverts.
Mayoral Imbizo	6/04/13	22	24	231	Need for Clinic, Primary and High school. Shortage of water. Bad condition of roads.
Public Participation on draft IDP/PMS & Budget	09/04/2013	26	2	20	No objecting to the proposed Budget and IDP presented
Public Participation on draft IDP/PMS & Budget	10/04/2013	18	4	46	No objecting to the proposed Budget and IDP presented

Public Meetings					
Nature and purpose of meeting	Date of events	Number of participating Municipal Councilors	Number of participating Municipal administrators	Number of community members attending	Dates and manner of feedback given to community
Public Participation on draft IDP/PMS & Budget	11/04/2013	24	4	66	No objecting to the proposed Budget and IDP presented

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Public meetings are effective but sometimes attendance fluctuates due to venue and time of meetings. Public service meetings are a service delivery reporting tool and also a platform whereby the Mayor outlined the overview of the IDP, give progress report of what the municipality achieved through Mayoral Imbizo and also outlined the budget to community during Public Participation, whereby the public also raised challenges faced and requested municipality to prioritise on their community needs.

T2.4.3.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	YES
Does the IDP have priorities, objectives, KPIs, development strategies?	YES
Does the IDP have multi-year targets?	YES
Are the above aligned and can they calculate into a score?	YES
Does the budget align directly to the KPIs in the strategic plan?	YES
Do the IDP KPIs align to the Section 57 Managers	YES
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	YES
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	YES
Were the indicators communicated to the public?	YES
Were the four quarter aligned reports submitted within stipulated time frames?	YES
* Section 26 Municipal Systems Act 2000	

T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

Introduction

Within the context of the Municipality established mission or vision, management establishes strategic objectives, selects strategy, and sets aligned objectives cascading through the institution. The municipality has developed governance documents and adopted enterprise risk management framework which will assist in achieving municipality objectives as set out in the IDP and SDBIP, set forth in four categories:

Strategic– high-level goals, aligned with and supporting its mission

Operations– effective and efficient use of its resources

Reporting– reliability of reporting

Compliance– compliance with applicable laws and regulations.

Ba-Phalaborwa Municipality recognizes that it is obliged to systematically manage and regularly review its risk profile at a strategic, operational, and management level. The municipality has developed this policy that determines the process and identifies tools for realizing its objectives. Not only does it wish to minimize its risks but also maximize its opportunities.

Guideline Risk Management Unit

In terms of the Municipal Finance Management Act No56 of 2003 section 62(1)(i) "the accounting officer of the municipality is responsible for managing the financial administration of the municipality, must take all reasonable steps to ensure that the municipality has and maintains effective, efficient, transparent systems of financial,

Treasury Regulations (section 3.2) Risk assessments must be conducted regularly

Sec 6(1) (g) reiterates sec 216 of the Constitution Sec 38 (1)(a) (I) and (ii) Accounting Officer must maintain: Effective & efficient system of **risk management and internal control** System of **internal audit** (IA) – control and direction of **Audit Committee**

Main Purpose:

The purpose of risk management is to identify potential risk factors before they occur, this involves identify, assess, manage and monitor risks, which could have an impact on the institution's pursuit of its goals and objectives.

Risk management is a continuous, forward-looking process that is an important part of business and technical management processes. Risk management should address issues that could endanger achievement of critical objectives. A continuous risk management approach is applied to effectively anticipate and mitigate the risks that have critical impact on the project.

Benefits involves but not limited to:-

- To avoid certain adverse outcomes through taking proactive steps
- To ensure that opportunities are identified and exploited
- To assist management to make informed decisions
- To identify and respond to changing social, environmental and legislative requirements
- To align risk appetite and strategy

- To reduce operational surprises and losses
- To prevent injury, damage and loss to stakeholders and employees or their property.
- To ensure compliance with the King 111 Code of Corporate Governance and other legislative requirements

Main Priorities:

To mitigate risk to an acceptable risk appetite level as approved by the municipal council, review the Anti fraud and corruption strategy that meet the minimum requirements in fighting against crime, review the risk management strategy and ensure that identified risks are managed to an acceptable level. Develop and monitor risk management implementation plan. Organizing and serving as the secretariat of the Risk Management Committee.

Major Achievements:

For the year under review the municipality managed to identify strategic risks set targets and time frames for the implementation and monitoring. The unit comprise of the Head reporting to the Accounting Officer in terms of the framework and guidelines as set by the National treasury, the risk officer and two trainees.

The unit has successfully reviewed all policies and strategies which were used as a tool in ensuring that risk management is implemented across the municipality i.e. the Anti-Fraud & Corruption Strategy, Risk Registers and Risk Management Strategy.

The Risk Committee has been appointed to oversee the risk management activities and an external person was appointed to chair the committee and this brought about the effectiveness of the committee. The Committee operates with the Risk committee Charter which was endorsed by Council. Meetings were held as planned and reports were provided to council via the Audit Committee.

Risk champions have been appointed to assist the departments and its sub directorates in the implementation of risk management.

Risk management and internal control

The policy is managed by the Municipal Manager with content input from those with accountability in specific areas. A Risk Register is being developed and is monitored on quarterly basis.

Top five risks

- Failure to provide water services at local level as a water services authority
- Ageing infrastructure
- Non compliance to legislations
- Loss of data, lengthy systems down time or unavailability
- Inability to access funding

Constraint Experience:

There is no frequent reporting of risk management mitigations, and cases are not reported to the Accounting officer on time so that they can be investigated and controls been strengthened. Risk management awareness is partially conducted.

Risk governance documents are not known to other staff, stakeholders and community at large; this is due to lack of communication strategy implementation.

2.7 ANTI-CORRUPTION AND FRAUD

Introduction

During 1997, Government initiated a national anti-corruption campaign. This campaign progressed to a National Anti-corruption Summit held in April 1999 at which all sectors of society (public and private) committed themselves to establishing sectoral anti-corruption strategies. At the same time, they also committed to the co-responsibility for fighting corruption through the coordination of these sectoral strategies.

Ba-Phalaborwa Municipality requires all staff at all times to act honestly and with integrity and to safeguard the municipal resources for which they are responsible. The Municipality is committed to protecting all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits.

Objectives

The primary objective of this strategy is to prevent fraudulent conduct before it occurs by encouraging a culture within the Ba-Phalaborwa Municipality where all employees, members of the public and other stakeholders continuously behave with and promote integrity in their dealings with, or on behalf of municipality.

Standing statement by Ba-Phalaborwa Municipality in fighting against corruption, suchBa-Phalaborwa Municipality will not tolerate corrupt or fraudulent activities, whether internal or external, and will vigorously pursue and prosecute any parties, by all legal means available, which engage in such practices or attempt to do so.

Strategies in place

The municipality has developed and approved governance documents in the best interest of the stakeholders and the public. This Anti-Corruption Strategy and Fraud Prevention Plan has been developed as a result of the expressed commitment of Government to fight corruption, guided by the following acts.

- ✓ Municipal System Act 32 of 2000 (MSA)
- ✓ Municipal Finance Management Act 56 of 2003 (MFMA)
- ✓ Minimum Information Security Standard (MISS)
- ✓ The Public Service Anti-Corruption Strategy
- ✓ (PSACS) The Local Government Anti-Corruption Strategy (LGACS)
- ✓ National Anti-Corruption Strategy (NACS)
- ✓ Prevention and Combating of Corrupt Activities Act, 12 of 2004
- ✓ Prevention of Organised Crime Act, 121 of 1998 (POCA)
- ✓ Financial Intelligence Centre Act, 38 of 2001 (FICA)
- ✓ Protected Disclosures Act, 26 of 2000

The whistle blowing policy, investigation policy and the Gift, Donation and sponsorship policy were also developed and adopted for the financial year under review. Awareness campaigns are conducted with the assistance of the provincial departments to the communities of BA-Phalaborwa.

Key risk areas

The risk management unit has identified key risk areas where fraud can ensue, and controls have been put in place, mitigations measures have been identified and monitored.

The municipality is conducting the screening of companies before appointment; this will ensure that only legitimate companies or services providers are offered an opportunity. The following risks have been identified:-

- Fraudulent subsistence and travel claims.
- Fraudulent manipulation of pricing of tenders (Price fixing or matching) by tender committee or employees involved in tender process.
- Fraudulent sale of municipal property for kickbacks or personal enrichment.
- Lack of segregation of duties leading to fraud.
- Undeclared conflicts of interest.

The identified fraud risks are monitored and progress on the implementation is presented to the Risk Management Committee and the Audit Committee Quarterly.

The internal Audit has reviewed the internal controls and ensure that the control measures are in place, some of the identified risks during audit were included in the fraud risks as new and others were emerging risks.

Major Achievements

The municipality has for the financial year under review reported fraud cases with SAPS, investigations were conducted and companies or services providers found committed fraud its service level agreement were terminated.

All councilors, Section 57 managers and other officials declared their business interest. Vetting and screening of Section 57 managers is in progress and only one official has received a cleared report from the State Security Agency (SSA).

Constraint Experience

As Ba-Phalaborwa municipality we are still in progress of establishing District Hotline, the hotline will be assisting the community in reporting issues of corruption.

INTERNAL AUDIT

Main Purpose:

The main purpose of the Internal Audit Unit was to help the Municipality achieve its set objectives by providing an independent objective assurance and consulting services to improve risk management, controls and governance processes.

Main Priorities:

The main priorities included the review of the Internal Audit Governance Documents, monitoring of the auditor general action plan, and evaluation of audit committee performance and implementation of Internal Audit Annual Plan.

Major Achievements:

The Audit Committee has in the previous financial year approved the Annual Audit Plan for implementation by the Internal Audit unit. The Audit Plan was 92% achieved by the end of the financial year with resources available. All governance documents were reviewed and implemented. The Municipality attended all audit committee meetings as planned. Quarterly follow-up reports were issued on AG action plan and Internal Audit reports, however, implementation rather poor and slow

The risk-based Internal Audit Plan, Methodology, Quality improvement programme, Audit Charter and Audit Committee Charter has been developed, approved and implemented in the 2012/2013 financial year. The Municipality also developed and approved the governance documents for the 2013/2014 financial year.

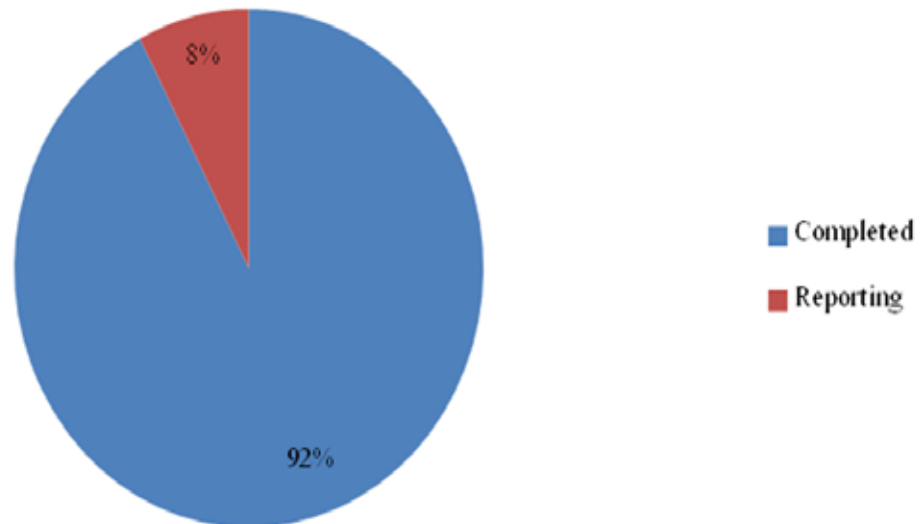
The Municipality managed to hold seven audit committee meetings which also included the performance audit committee. The Municipality also assessed the performance of the Audit Committee

The implementation of AG and IA queries remain unsatisfactory in the year and Council put in place measures to improve the performance

The approved annual Internal Audit plan is was as follows;-

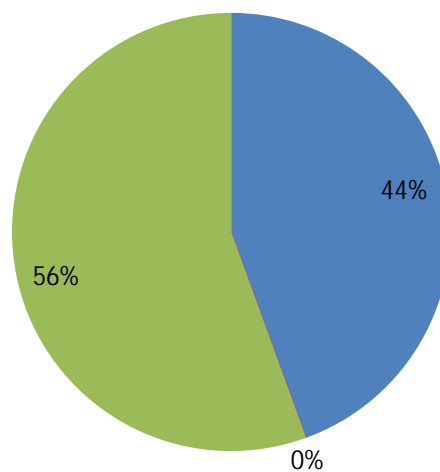
Types of Audits	Planned for the quarter	Planning	Execution	Reporting Stage	Completed	Rolled Over
Risk-Based Audit	2	0	0	1	1	1
Compliance Audits	3	0	0	0	3	0
Financial Audits	1	0	0	0	1	0
IT Audits	0	0	0	0	0	0
Control Self-Assessment	1	0	0	0	1	0
Follow-Up Audits	6	0	0	0	6	0
Total	13	0	0	1	12	1

Progress on implementation of IA Audit Plan



Progress on Implementaion of AG

■ Completed ■ Not Yet Started ■ In-Progress



Notes: See Chapter 4 details of Disciplinary Action taken on cases of financial mismanagement (T4.3.6). MSA 2000 S83(c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.

T2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The municipality has supply chain management policy that is approved by Council before the financial year start. The policy outlined processes to be followed when procuring goods and services. The policy has been derived from supply chain models published by National Treasury and is updated annually with changes of legislation or updates issued by authorities.

The municipality also drafted procedure manuals to be used as a guiding tool, hence acknowledge the deviations incurred during the year under reporting due circumstances beyond control. It is commonly mention that deviation is exceptionally on disaster occurrence.

The municipality has no contracts beyond three years as results there is no Long-term Contracts entered into during the financial year under reporting.

On cases where deviation with legislation has been performed, an item were attached on the Supply Chain reports for council's approval. During the previous year, there municipality has deviated with the updates of threshold when appointing service providers and the remedial action implemented was to invite authorities such as National Treasury supply chain practitioners to conduct in-house training to all managers.

Note: MFMA S110-119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

T2.8.1

2.9 BY-LAWS

By-laws introduced during 12/13					
Newly Developed	Revised	Public Participation conducted prior to adoption of By-Laws (Yes/no)	Dates of Public Participation	By-Laws gazette (yes/no)	Date of Publication
None	None	None	None	None	none

COMMENT ON BY-LAWS:

The Municipality did not develop nor review any by-laws during the 2012/13 financial year. By-laws will be reviewed and developed when a need arise.

T2.9.1.1

2.10 WEBSITES

Municipal website: content and currency of material		
Documents published on the municipality's /entity's website	Yes/No	Publishing date
Current annual and adjustment budgets and all budget related documents	No	
All current budget related policies	No	
The previous annual report (2011/12)	No	
The annual report (2011/12) published / to be published	No	
All current performance agreements required in terms of section 57 (1) (b) of the MSA and resulting score cards	No	
All service delivery agreements (2012/13)	No	
All long term borrowing contracts (2012/13)	No	
All supply chain management contracts above a prescribed value (give value) for 2012/13	No	
An information statement containin a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2012/13	No	
Contracts agreed in 2011/12 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
PPP agreements referred to in section 120 made in 2012/13	No	
All quartely reports tabled in the council in terms of section 52 (d) during 2012/13	No	
Note: MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are of course encouraged touse their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments T2.10.1		

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The website is currently not working due to security matter that lead to documents desapearing after they are been published and is currently hosted by private entity , however the website and the domain will be moved to SITA which will be hosted with other websites for other Municipality , however the progress to date is at an advanced level , we are only waiting for the order to be generated after SITA has Submited all the neccesary document to stores \supply chain .

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

The Municipality conducted a community satisfaction survey during the month of August 2012. The survey was conducted in-house. The municipality used the ward committees as field workers to conduct and gather data. A combination of both qualitative and quantitative method of methodology was used. Questionnaires were used as tool to gather data. The sampling size was 450 questionnaires with a response rate of over 70%.

Satisfaction Surveys Undertaken during 2011/12 and 2012/13							
Subject matter of survey	Survey method	Survey date	No of people included in survey 2011/12	Survey results indicating satisfaction or better (%)*	Survey date	No of people included in survey 2012/13	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:							
(a) Municipality							
(b) Municipal Service Delivery							
(c) Mayor							
Satisfaction with:	Questionnaires	29 Aug – 1 Sept 2011	300		6-17 August 2012	253	
(a) Refuse Collection	Questionnaires	29 Aug – 1 Sept 2011	300	51%	6-17 August 2012	253	57%
(b) Road Maintenance	Questionnaires	29 Aug – 1 Sept 2011	300	25%	6-17 August 2012	253	40%
(c) Electricity Supply	Questionnaires	29 Aug – 1 Sept 2011	300	68%	6-17 August 2012	253	71%
(d) Water Supply	Questionnaires	29 Aug – 1 Sept 2011	300	69%	6-17 August 2012	253	72%
(e) Sanitation	Questionnaires	29 Aug – 1 Sept 2011	300	52%	6-17 August 2012	253	69%
(f) Information supplied by municipality to the public	Questionnaires	29 Aug – 1 Sept 2011	300	44%	6-17 August 2012	253	21%
(g) Opportunities for consultation on municipal affairs	Questionnaires	29 Aug – 1 Sept 2011	300	47%	6-17 August 2012	253	55%
* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory						T2.11.2	

COMMENT ON SATISFACTION LEVELS:

In terms of the community satisfaction survey report the municipality is doing well in terms of access to the following services:

- ✓ Water
- ✓ Electricity

- ✓ Refuse removal
- ✓ Public participation

The municipality needs to improve on the following services as per the survey report findings:

Roads and storm water

- ✓ Maintenance of electricity infrastructure
- ✓ Town planning services
- ✓ Access and maintenance of sportsfields
- ✓ Billing services and the availability of service statements.

The questionnaire was designed to check the municipal satisfaction levels on municipal services and it did not cover the satisfaction on the Executive as per the above table.

T2.11.2.2

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

2012/2013 financial year

There are 41116 households in Ba-Phalaborwa municipality of which 82% households receive water adequately, 11% households has infrastructure which need to be upgraded so that community receive water supply continuously and 7% households has no infrastructure as result of new development in the area.

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

There are larger portion of rural area in Ba-Phalaborwa which currently there is no constant supply of water. The 11% households which has infrastructure but not receiving adequate water supply is a rural area. The new extension next to townships and other rural areas are fall under 7% households without infrastructure.

The provision of purification plant to be upgraded in order to meet the water demand has been assessed by Water service authority (Mopani District) together with water board (Lepelle).

Upgrading of purification plant is done in phases and also the bulk supply line will be upgraded so that we have enough capacity to supply the entire Ba-phalaborwa. In Selwane the purification plant will be upgraded by 2013/2014.

Although other areas there are no infrastructure the Municipality is able to supply water by water truck.

The water quality is gradually increase in blue drop score year to year. The challenges is the aging infrastructure which increase the bill of water supply by water board. District ,water board and local municipality are busy with the strategy to address the water loss and improving on water quality.

T3.1.1

Households				
Description	Year- 3	2010/11	2011/12	2012/13
	Actual No.	Actual No.	Actual No.	Actual No.
Water: (above min level)		12251	12251	12251
<i>Piped water inside dwelling</i>				
<i>Piped water inside yard (but not dwelling)</i>		17081	17090	17138
<i>Using public tap (stand pipes)</i>		3812	3803	3803

<i>Other water supply (within 200m)</i>	0	33144	33144	33144
<i>Minimum service level and above sub-total</i>		98%	98%	98%
Minimum service level and above percentage				
Water; (below min level)		413	413	413
Using public tap (more than 200m from dwelling)		235	235	235
Other water supply (more than 200m from dwelling)		0	0	0
No water supply	0	647	647	647
Below minimum service level sub-total		2%	2%	2%
Below minimum service level percentage		33792	33792	33793
Total number of households*				
To include informal settlements				
T3.1.3				

The wording "within/more 200m from dwelling" be replaced with "stand pipes" as it challenging to measure.

Households – water service delivery levels below the minimum						
Description	Year-3	2010/11	2011/12	2012/13		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households		33792	33792	None	None	33792
Households below minimum service level		647	647			647
Proportion of households below minimum service level						
Informal Settlements						
Total households						
Households below minimum service level						
Proportion of households below minimum service level						
T3.1.4						

Water service policy objectives taken from IDP								
Service Objectives Service indicators (i)	Outline service targets (ii)	2010/11		2011/12		2012/13		
		Target	Actual	Target	Actual	Target		
		*previous year		*previous year	*current year	*current year	*current year	*following year

		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	Year (ix)	(x)
Service objectives xxx									
HH without minimum water supply	Additional households provided with minimum water supply during the year (No. of HH) without supply at year end)	2391	0	2391	0	0		500	600
Improve reliability of water supply	Reduce the number of interruptions (ints) in supply of one hour or more compared to the baseline of 2010/11 (xxx interruptions of one hour or more during the year)						Water purifi cation is upgra ded		
Improve water conservation	Reduce unaccountable water levels compared to the baseline of 2010/11 (xxx kilolitres (Kls) unaccounted for during the year						Plan is in proce ss to ensur e rural villag es pay for servic es		

Note; This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii) must be incorporated in the indicator set for each municipality to which they apply. These are universal municipal indicators. Previous year refers to the targets that were set in the 2010/11 Budget/IDP round. Current year refers to the targets set in the 2011/12 Budget/IDP round. Following year refers to the targets set in the 2012/13 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of IDPs and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a role. T3.1.6

Employees; Water Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies fulltime equivalence) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3	1	1	1	0	0
4-6	2	4	2	2	50
7-9	5	6	2	4	66
10-12	8	13	9	4	30.8
13-15	4	6	4	2	33,3
16-18	11	23	11	12	47.8
19-20					
Total	30	51	29	24	47%

Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.1.7

A narrative providing information on the staff critical to service delivery and shortage hereof to accompany the above table on all municipal services. Municipalities should report for employees where cost centers are allocated.

Financial Performance 2012/13; Water services					
R' 000					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)		43,644,778.00	43,644,778.00	123,018,791.80	79,374,013.80
Expenditure;					
Employees		6,928,696.00	7,997,283.00	6,066,402.88	1,930,880.12
Repairs and Maintenance		2,228,123.00	3,324,629.00	3,135,010.35	189,618.65
Other		11,528,673.00	11,533,434.00	319,474.08	11,213,959.92
Total operational expenditure		20,685,492.00	22,855,346.00	9,520,887.31	13,334,458.69
Net operational (service) expenditure		- 64,330,270.00	- 66,500,124.00	- 132,539,679.11	- 92,708,472.49
Net expenditure to be consistent with summary table T5.1.2 in chapter5. Variances are calculated by dividing the difference between the actual and original budget by the actual					

T3.1.8

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

Mopani District Municipality as water authority implement the water project. 2011/2012 and 2012/2013 no water projects was executed by District Municipality.

T3.1. 10

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Ba-Phalaborwa has three waste water treatment plants. Both plants have sufficient capacity for new development. Phalaborwa plant is currently operating at 61% during peak hour.

In Lulekani Township the plant operate at 53% during peak hours. There are no booster pumps at the area but for a new development the provision of booster pump will be considered.

Namakgale is currently operating at 62% during peak hour. The provision to increase the capacity is in progress. The project for upgrading of waste water treatment works is under implementation. The phase 1 of the project is only civil works, it is 100% completed. Phase 2 will consist of mechanical and electrical equipment to be installed.

Challenges

The sewer bulk line from Maphutha to Tshelang Gape pump station need to be upgraded due to insufficient capacity. There was no provision of bulk line during the new development of Namakgale RDP houses. This new development is serviced by bulk line from Maphutha Hospital due to volume increases of sewer line connected to existing bulk line it result to sewer overflow.

Namkale Zone E sewer reticulation and supply line to Foskor pump station was under design. We are currently experiencing sewer over flow on the manholes all the time.

Mopani District Municipality as water authority has appointed the consultant to provide the services to address the challenges.

2012/2013 no Sanitation projects was executed by District Municipality. The District implement sanitation projects by 2010/2011 and 2011/2012 of about 5000 VIP toilets

Sanitation Service Delivery Levels				Households
Description	2010/11	2011/12	2012/13	2012/13
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<u>Sanitation/sewerage: (above minimum level)</u>				
Flush toilet (connected to sewerage)	14056	14060	14070	
Flush toilet (with septic tank)	1090	1090	1090	
Chemical toilet	208	208	208	
Pit toilet (ventilated)	5368	10368	10368	
Other toilet provisions (above min. service level)	8958	8070	28970	
	29680	33792	33792	
Minimum service level and above sub-total				
Minimum service level and above percentage	87%	100%	82%	
<u>Sanitation/sewerage: (below minimum level)</u>				
Bucket toilet				
Other toilet provisions (below min service level)	4112	0	7324	
No toilet provisions	4112	0	7324	
Below Minimum service level sub-total	33792	33792	41116	

Below Minimum service level percentage Total Households					
*total T3.2.3	number	of	households	including	informal settlements

Households; Sanitation service delivery levels below the minimum						
Description	Year-3	2010/11	2011/12	2012/13		
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total Households		33 792	33792			41116
Households below minimum service level		4112	0			7324
Proportion of households below minimum Service level						
Informal Settlements						
Total Households						
Households below minimum service level						
Proportion of households below Minimum service level						
T3.2.4						

Employees: Sanitation Services					
Job Level					
	Employees	Posts	Employees	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts)
	No.	No.	No.		%
0-3					
4-6		4	0	4	0
7-9		3	0	3	0
10-12		13	9	4	69.2
13-15		12	0	12	0
16-18					
19-20					
Total		32	0	23	71.9
Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.2.7					

Financial performance 2011/12; Sanitation Services					
R' 000					
Details	2010/11	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)		6,839,023.00	6,839,023.00	12,205,045.82	5,366,022.82
Expenditure					
Employees		3,212,957.00	1,737,957.00	546,295.53	1,191,661.47
Repairs and Maintenance		624,936.00	2,024,936.00	1,463,803.51	561,132.49
Other		2,541,973.00	2,871,473.00	304,177.75	2,567,295.25
Total Operational Expenditure		6,379,866.00	6,634,366.00	2,314,276.79	4,320,089.21
Net Operational (service) expenditure		- 13,218,889.00	- 13,473,389.00	- 14,519,322.61	- 9,686,112.03
Net expenditure to be consistent with summary table T5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual T3.2.8					

Capital Expenditure 2011/12; Sanitation Services					
R' 000					
Capital Projects	2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	N/A	N/A	N/A	N/A	N/A
Project A	N/A	N/A	N/A	N/A	N/A
Project B	N/A	N/A	N/A	N/A	N/A
Project C	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	N/A	N/A
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) T3.2.9					

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

Mopani District Municipality as water authority implement the sanitation projects. 2012/2013 no Sanitation projects was executed by District Municipality

T3.2.10

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

Ba- Phalaborwa has no backlog of electricity, all villages which were in existence before 1994 has access to electricity. The current backlog is as a result of new development after 1994.

2012/2013 financial year two projects were implemented

Matiko Xikaya electrification has been completed and 320 Households were connected to electricity. Nyakelane, Malungane and Tshubje electrification project was not completed due to financial constraints. The objective of the project is to electrify 1190 households. The amount allocated by Department of energy was based on initial number of households. During the appointment of Professional service provider the numbers of households were three times more than the initial. The consultant did the design for the entire area. We requested the additional funds from DOE which will be allocated by 2014/2015 financial year.

The current backlog is 1874 households; the application for electricity has been submitted to DOE. The current access to electricity is 92% (census 2011).

T3.3.1

Electricity Service Delivery Levels				
Description	Year-3	2010/11	2011/12	Households 2012/13
	Actual No.	Actual No.	Actual No.	Actual No.
Energy: (above minimum level)				
Electricity (at least min. service level)		30705	31901	32221
Electricity – prepaid (min. service level)				
Minimum service level and above sub- total		30705	31901	32221
Minimum service level and above percentage		91	94	95%
Energy: (below minimum level)		3087	1891	1571
Electricity (< min. service level)				
Electricity – prepaid (<min. service level)				
Other energy sources		3087	1891	1571
Below minimum service level sub-total		9%	5.6%	4.6%
Below minimum service level percentage		33792	33792	33792
Total number of households				
T3.3.3				

Households – Electricity service delivery levels below the minimum						
	Year-3	2010/11	2011/12	2012/13		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal settlements						

Total households		33792	33792			33792
Households below minimum service level		3087	1891			1571
Proportion of households below minimum service level						
Informal settlements						
Total households	N/A	N/A	N/A			N/A
Households below minimum service level						
Proportion of households below minimum service level						
T3.3.4						

Employees; Electricity Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3		2	0	2	100
4-6		2	2	0	0
7-9		6	3	3	50
10-12		13	8	5	38
13-15		0	0	0	
16-18		20	5	15	75
19-20					
Total		43	18	25	58
<p>Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p>					
T3.3.6					

Financial performance 2011/12; Electricity Services					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	13,315,128	21,000,000	21,000,000	20,594,480	405,520
Expenditure					
Employees	7,359,172	5,421,881	7,956,884	7,141,350	815,534
Repairs and Maintenance	7,359,172	5,016,000	4,696,000	4,417,152	278,848
Other	73,666,839	83,092,000	90,080,000	51,065,480	39,014,520
Total Operational Expenditure	88,385,184	93,529,881	102,732,884	62,623,983	40,108,901
Net Operational (service) expenditure	-75,070,056	-72,529,881	-81,732,884	-42,029,503	-39,703,381
Net expenditure to be consistent with summary table T5.1.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual T3.3.7					

Capital Expenditure 2012/13; Electricity Services					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total All	23,000,000.00	23,004,000.00			
Electricification – Malungane, Tshubje and nyakelang	4,000,000.00	4,502,323.19	4,502,323.19	9,000,000.00	13,502,323.19
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) T3.3.8					

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Electricity provision in the municipal area is through ESKOM with the Department of Energy is the main implementer. Phalaborwa town is the only which is maintained by the municipality. The challenge on it is the old infrastructure due non maintenance for some years. For the 2011/12 financial year the municipality channelled most of its budget to deal with refurbishment of the electricity infrastructure and also for the 2012/13 financial year electricity was given a preference. Due to the challenges with old infrastructure which is always affecting supply to consumers, the municipality planned to source funds from financial institutions to deal with the challenges in totality.

T3.3.9

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

Waste Management section includes refuse collection, Waste Disposal, street cleaning and recycling.

The Municipality is providing Waste Management as follows:

Urban area – 16 940

Rural area – 6001

TOTAL 22 941 = 55,79%

The National standard for weekly Refuse Collection from every household is not fully achieved due to, among other shortage of staff and refuse compactors. Every financial year, the budget was set aside for the purpose, funding were not realised. In 2008/9, the Municipality started with a pilot project to provide refuse removal services in villages such as Mashishimale R1, R2 and R3. The idea was to cover all the areas in Ba-Phalaborwa Municipality area. However, due to lack of funds for equipment and staff, the service could not be extended to other areas.

In some instances, there is a challenge regarding refuse compactors as those that are being used are very old. We sometimes have to work shifts in order to service other areas. There is also a challenge when it comes to payment for services. It is advisable that the political principals should address this issue with community members.

T3.4.1

Solid waste service delivery levels				
Description	households			
	2009/10	2010/11	2011/12	2012/13
	Actual No.	Actual No.	Actual No.	Actual No.
Solid waste removal: (minimum level)				
Removed at least once a week	1	1	1	0
Minimum service level and above sub-total	22 553	22 553	22 553	22 941
Minimum service level and above percentage	67%	67%	67%	55,79%
Solid waste removal: (below minimum level)				
Removed less frequently than once a week				
Using communal refuse dump				
Using own refuse dump				
Other rubbish disposal				
No rubbish disposal				
Below minimum service level sub-total	11 240	11 240	11 240	18 174
Below minimum service level percentage	33 %	33 %	33 %	44,21 %
Total number of households	33 793	33 793	33 793	41 115

T3.4.2

Households: solid waste service delivery levels below the minimum						
Description	Households					
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal settlements						
Total households						
Households below minimum service level						
Proportion of household below minimum service level						
Informal settlements						
Total households						
Households below minimum service level	11 240		11			
Proportion of household below minimum service level		11 240	240	33 793	41 115	41 115
T3.4.3						

Households - Solid Waste Service Delivery Levels below the minimum						
Description	Households					
		2010/11	2011/12	2012/13		
		Actual	Actual	Original Budget	Adjusted Budget	Actual
		No.	No.	No.	No.	No.
Formal Settlements						
Total households		0	0	0	0	0
Households below minimum service level		0	0	0	0	0
Proportion of households below minimum service level		0	0	0	0	0
Informal Settlements						
Total households		11 240	11 240	33 793	33 793	33 793
Households below minimum service level		11 240	11 240	11 240	11 240	11 240
Proportion of households below minimum service level		33%	33%	33%	33%	33%
Employees: Solid Waste Management Services						
Job Level	2011/12	2012/13				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	1	1	1	0	100%	
4 - 6	1	1	1	0	100%	
7 - 9	4	4	4		100%	
10 - 12	0	0	0	0	0%	

13 - 15	7	7	7	0	100%
16 - 18	42	57	42	16	74%
19 - 20					
Total	55	70	55	17	78%
Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

Employees: Waste Disposal and Other Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	100%
4 - 6	1	1	1	0	100%
7 - 9	1	2	1	1	50%
10 - 12	0	0	0	0	0%
13 - 15	1	1	1	0	100%
16 - 18	5	9	6	2	67%
19 - 20					
Total	9	14	10	3	71%
Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

Financial Performance 211/12: Solid Waste Management Services					
R'000					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	473 846.09	2 122 749.98	625 750.00	185 007.32	440 742.68
Repairs and Maintenance	330 806.57	1 500 000.00	850 000.00	168 386.62	681 613.38
Other	1 140 162.47	1 080 000.00	3 493 000.00	3 103 590.23	389 409.77

Total Operational Expenditure					
Net Operational (Service) Expenditure	1 944 815.13	4 702 749.98	4 968 750.00	3 456 984.17	1 511 765.83
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					

Employees: Waste Disposal and Other Services					
Job Level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	100%
4 - 6	1	1	1	0	100%
7 - 9	1	2	1	1	50%
10 - 12	0	0	0	0	0%
13 - 15	1	1	1	0	100%
16 - 18	5	9	6	2	67%
19 - 20					
Total	9	14	10	3	71%
Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

Financial performance 2012/13; solid waste management services					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operational revenue (excluding tariffs)	8,984,915	7,500,000	9,000,000	9,127,833	127,833
Expenditure;					
Employees	473,846	2,122,750	625,750	185,007	440,743
Repairs and maintenance	330,807	1,500,000	850,000	168,387	681,613
Other	1,140,162	1,080,000	3,493,000	3,103,590	389,410
Total operational expenditure	1,944,815	4,702,750	4,968,750	3,456,984	1,511,766
Net operational (service) expenditure	7,040,099	2,797,250	4,031,250	5,670,849	1,383,933
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by actual					
T3.4.7					

Capital expenditure; 2011/12; waste management services					
					R' 000
2011/12					
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Project A	None	None	None	None	None
Project B	None	None	None	None	None
Project C	None	None	None	None	None
Project D	None	None	None	None	None
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)					
T3.4.9					

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

The intention was to provide refuse removal service to all households in the Ba-Phalaborwa Municipality area (including all villages). This dream could only be realised if refuse compactors could be purchased, as well as staff employment. As far as the town and former R293 towns are concerned, service is at 100%. With the procurement of one refuse compactor, all villages could receive once-a-month service.

The CBD areas receive the service daily. Even during public holidays, employees who work in this section perform their duties so as to keep the areas clean every day. There are also employees who work for overtime every Saturday in order to keep our areas spotless.

Compared to other areas, Ba-Phalaborwa Municipality is still the only Municipality that provides domestic removal services to villages, to wit, Mashishimale and Mandela Villages (6 496 households).

The Municipality has a reputation of winning the Cleanest /Greenest Municipality Competitions.

T3.4.10

3.5. HOUSING

INTRODUCTION TO HOUSING

Ba- Phalaborwa Municipality assists the provincial department of CoGHSTA with the facilitating the provision of housing to promote sustainable Human settlements within the Municipal area. The municipality thus relies on CoGHSTA as the competent housing authority to initiate, plan and implement programmes and projects aimed at addressing the housing backblock within the municipal area.

T3.5.1

Employees; Housing services					
Job level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as % of total posts)
	No.	No.	No.	No.	

					%
0-3	1	1	1	0	0
4-6	2	2	2	0	0
7-9	5	5	3	2	40%
10-12	None	None	None	None	None
13-15		None	None	None	None
16-18		None	None	None	None
19-20		None	None	None	None
Total		None	None	None	None
<p>Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p> <p>T3.7.7</p>					

Financial performance 2011/12; Housing services					
Details	2011/12	2012/13			
	Actual	Original Budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	N/A	N/A	N/A	N/A	N/A
Expenditure					
Employees					
Repairs & Maintenance					
Other					
Total operational expenditure					
Net operational (service) expenditure					
<p>Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by actual</p> <p>T3.5.5</p>					

Capital expenditure; 2011/12; Housing services					
R 000					
Capital projects	2011/12				
	Budget	Adjustment budget	Actual expenditure	Variance from original budget	Total project value
Total All	N/A	N/A	N/A	N/A	N/A
Project A	N/A	N/A	N/A	N/A	N/A

Project B	N/A	N/A	N/A	N/A	N/A
Project C	N/A	N/A	N/A	N/A	N/A
Project D	N/A	N/A	N/A	N/A	N/A
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) T3.5.6					

There were no housing projects implemented by the Municipality.

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

Ba-Phalaborwa Municipality is one of many municipalities in the country with limited land which is needed for housing development initiatives. Despite the Municipality having limited contribution towards constructing houses, there are still some crucial roles performed by the municipality which involve facilitating and managing the identification of beneficiaries to benefit from housing projects, managing the control of planning initiatives and developments taking place within the municipal area as guided by the SDF and LUMS.

Since the municipality is not a housing authority, there were no human settlements projects implemented by the municipality during the 2012/13 financial year. However there were housing related projects identified (e.g. Township establishment, land tenure upgrading) with the aim of promoting sustainable livelihoods and improve the spatial structure of townships in the municipal area. Provincial departments, particularly Coghsta were approached to assist the municipality in the near future with the implementation of the identified projects.

T3.5.7

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The municipality has an approved indigent policy that guides the activities to be followed when registering households. Indigent registration is performed yearly and assessment is done throughout to check the change in customer income.

The policy outlined the categories of indigent qualification categories. The qualification process is done through ward councillors and all wards are catered during the processes.

All qualifying indigents are then captured on the financial management system for benefits allocation on a monthly basis. There are slightly challenges experience during the year, indigents exceed the allocated services since there is no system in place to disconnect when consumption reaches the levels. On the other hand consumers are not collecting free electricity tokens from Eskom whereas the units are paid by the municipality.

T3.6.1

Free basic services to low income households										
	Number of households									
	Total	Households earnings less than R1.100 per month								
			Free basic water		Free basic sanitation		Free basic electricity		Free basic refuse	
		Total	Access	%	Access	%	Access	%	Access	%
2010/11	33974									
2011/12	33974									
2012/13	41115									
T3.6.3										

Financial performance 2012/13: cost to municipality of free basic services delivered					
Services delivered	2011/12	2012/13			
	Actual	Budget	Adjustment budget	Actual	Variance to budget
Water				6,815,472.39	
Waste water (sanitation)				239,294.90	
Electricity				108,077.31	
Waste Management (solid waste)				215,334.12	
Total				7,378,178.73	
T3.6.4					

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT

The policy outlined the categories of indigent qualification categories. The qualification process is done through ward councillors and all wards are catered during the processes.

All qualifying indigents are then captured on the financial management system for benefits allocation on a monthly basis. There is slightly a challenge experience during the year, indigents exceed the allocated services since there is no system in place to disconnect when consumption reaches the levels. On the other hand consumers are not collecting free electricity tokens from Eskom whereas the units are paid by the municipality.

The grants is included on the Equitable Share allocation for services provided by the local municipality, but the services such as water and sewerage the grant is included on Equitable Share directed to the district to the District Municipality hence the benefits is allocated by the local municipality.

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

This component includes: roads; transport; and waste water (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

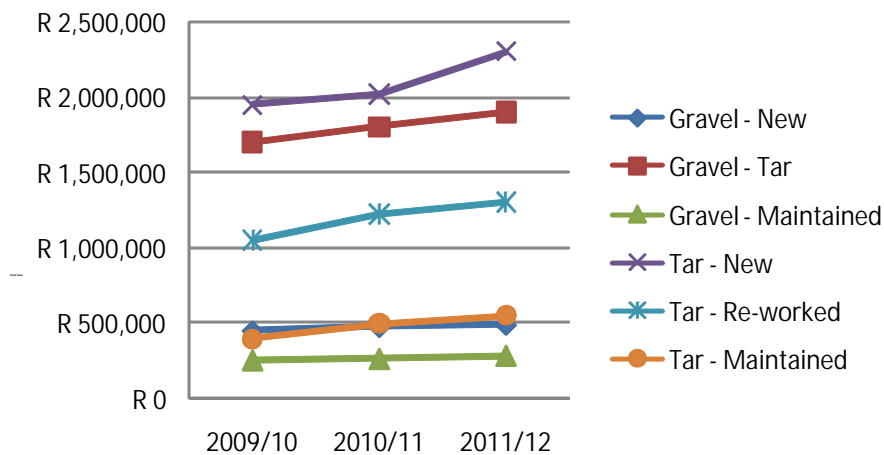
Gravel road infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2010/11	130	N/A	N/A	130
2011/12	148	N/A	N/A	148
2012/13	165	N/A	N/A	165
				T3.7.2

Replace the word "tarred" with "asphalt"

Asphalted Road Infrastructure					
	Total Asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2010/11	240	N/A	2.1	N/A	
2011/12	240	N/A	3.3	N/A	
2012/13	240	N/A	N/A	N/A	
					T3.7.3

Cost of construction/maintenance						
R' 000						
	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Re-worked	Maintained
2010/11	N/A	N/A	N/A	N/A	N/A	N/A
2011/12	N/A	N/A	N/A	N/A	N/A	N/A
2012/13	N/A	N/A	N/A	N/A	N/A	N/A
						T3.7.4

Road Infrastructure costs



Employees: roads services					
Job level	2011/12	2012/13			
	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3		1	1	0	100 %
4-6		2	2	0	100%
7-9					
10-12		6	6	0	100 %
13-15		4	4	0	
16-18		32	11	22	34%
19-20		0			
Total		46	24	22	48%

Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.7.7

Details	2011/12	2012/13			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	19,003,671	28,819,350	31,839,350	30,508,569	1,330,781
Expenditure:					
Employees	2,679,788	2,965,398	3,263,799	3,369,147	- 105,348

Repairs & Maintenance	2,820,278	500,000	5,430,000	3,011,767	2,418,233
Other	50,898,718	8,152,000	51,025,000	46,576,763	4,448,237
Total operational expenditure	56,398,784	11,617,398	59,718,799	52,957,677	6,761,122
Net operational (service) expenditure	-	-	-	- 22,449,107	- 5,430,342
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual					
T3.7.8					

Capital expenditure 2011/12: Road Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all					
Namakgale phase 4	R 1 742 000	R 1 742 000	R 1 711 775.16	R 30,224.84	R 12 000 000
Khurhula streets paving	R 4 700 000	R 4 700 000	R 3 981 184.37	R 718 815.63	R 5 000 000
Matiko-xikaya street paving	R 3 000 000	R 9 000 000	R 8 199 979.27	R 800,020.73	R 9 000 000
Honiville to topville street paving	R 2 728 597	R 2 728 597	R 2 006 193.64	R 722 403.36	R 13 000 000
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)					
T3.7.9					

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The department has able to upgrad 4 km gravell to pavement road in rural areas (Matiko-Xikaya and Kurhula). The project for road master plan was advertised for Consulting Engineers. The project will be implemented by 2014/2015

Development of municipal roads as required	km of municipal roads developed
2010/11	1.8km
2011/12	2.8km
2012/13	4.3km
	T3.7.10

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

Public transport within the Ba-Phalaborwa area of responsibility is shared as follows:
Two short haul bus companies transporting within and between the urban zones being
Great North Transport
Megabus

There is also a few long distance hauliers operating between Phalaborwa and Gauteng being inter-alia:
City to City
Trans Cape
Translux

Application has also been received for bus hauliers from the area to Zimbabwe and return.

The taxi industry is divided into various associations as follows:

Phalaborwa Taxi Association
Namakgale Taxi Association
Lulekani Taxi Association
Namakgale Long Distance Taxi Association.

All of these parties are involved in the Phalaborwa Transport Forum chaired by the Community and Social Services portfolio Committee Chairperson with the Traffic Section acting as the secretariat. Meetings are held on a quarterly basis within the town and representatives are also invited on a quarterly basis to attend the Mopani District Transport Forum. These meetings are not well attended at all and a concerted effort is in progress to increase participation. All new applications are submitted to the forum and discussed before any letters of approval by Council are forwarded to the relevant issuing authority.

During the year a major problem was experienced between the taxi associations and Megabus due mainly to perceived problems of "customer theft and pricing." A sub-committee from the Executive Committee met with both parties as did senior Traffic officials and it seem that common sense has prevailed with no violence and a continued service to the residents. The process is being closely monitored by us as well as the SAPS.

All busses and Taxis are subject to Stand Licences and Ranking facilities and are checked on a continual basis for compliance and roadworthiness.

The Taxi rank facilities throughout the areas have been upgraded and offices for control purposes erected at the Phalaborwa rank to facilitate increased management and control.

T3.8.1

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Storm Water services is included in the Roads and transport

T3.9.1

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

Ba-Phalaborwa Municipality has a Spatial Development Framework that is supported by the Land Use Management System and aligned to the IDP. Most emerging developments are taking place along the R71 which is the main activity corridor, that also gives access to the three identified nodal points namely: Namakgale, Lulekane and Phalaborwa Town.

According to Stats SA Census 2011, the rural population of Mukhushane, Selwane, Mashishilale, Majeje and Maseke constitutes 65.5% of the total population within Ba-Phalaborwa Municipality. The result of this is high demand of basic services, provision socio-economic activities and unplanned developments.

In order to complement the mission of the municipality particularly on “managing the environment for future sustainable economic growth”, and supporting the values of the municipality the Planning and Development Department embarked on an intense process of research and stakeholder engagement to address land development challenges faced by the municipality in relation to property vesting, land tenure upgrading and law enforcement.

The review of the LED strategy commenced during the financial year giving effect to outlining of strategic interventions and recommendations in relation to economic opportunities, strengths and weaknesses within the municipal area.

Ba- Phalaborwa Municipality promotes local economic empowerment through the implementation of the Community Works Programme (CWP) which is intended to create short term employment and eradicate poverty. The Municipality did exceptionally well with regards to SMME support and job creation through municipal initiatives amongst other Key Performance Indicators.

T3.10.0

3.10 PLANNING

Applications for Land Use Development						
Detail	Formalization of Townships		Rezoning		Built Environment	
	2011/12	2012/13	2012/13	2012/13	2011/12	2012/13
Planning application received			2	6	7	18
Determination made in year of receipt			2	4	7	15
Determination made in following			0	2	0	3

year						
Applications withdrawn			0	0	0	0
Applications outstanding at year end			0	2	0	3
T3.10.2						

Employees: Planning Services					
Job level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3		2	2	n/a	n/a
4-6		1	1	n/a	n/a
7-9					n/a
10-12		1	0	1	0
13-15					
16-18					
19-20					
Total		4	3	1	25%
Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.10.4					

Financial performance 2012.13: Planning services					
Details	2011/12	2012/13			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	1,824,600	250,000	250,000	507,837	- 257,837
Expenditure:					
Employees	6,883,028	4,866,476	6,514,676	5,937,316	577,360
Repairs & Maintenance	660	160,000	80,000	-	80,000
Other	1,296,108	2,965,000	1,912,000	1,112,190	799,810
Total operational expenditure	8,179,796	7,991,476	8,506,676	7,049,506	1,457,170
Net operational (service) expenditure					
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual					
T3.10.5					

Capital expenditure 2012/13: Planning Services					
					R' 000
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all					
Project A	None	None	None	None	None
Project B	None	None	None	None	None
Project C	None	None	None	None	None
Project D	None	None	None	None	None
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)					
T3.10.6					

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Planning and Human Settlements section manages and controls the use of land within the municipal area. The biggest challenge faced by the municipality in relation to physical planning is illegal developments and land invasions. The municipality has embarked on a law enforcement process by issuing out notices to illegal developers and land invaders as per Section 30, of the Land use Management scheme.

T3.10.7

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The Local Economic Development Unit is responsible for the consolidation of the local economic trends and tourism development in the Municipal area. The municipality has an LED Strategy in place adopted by Council in 2007, and is still in the process of finalising its review. The LED strategy has served as guide in the support of SMME initiatives, agriculture support and tourism development initiatives in the Ba-Phalaborwa Municipal area. Some of its recommendations were private sector recommendations that needed private sector investment in agriculture, mining, manufacturing and hospitality.

Most of the service delivery recommendations are reported under Technical and Community Services such as: the provision of water, roads, electricity and waste management.

The Tourism Strategy is also overdue and need to be reviewed as a matter of urgency. Due to limited resources, the strategy was not reviewed in the 2012/13 financial year.

T3.11.1

Economic Employment by Sector				Jobs
Sector	2010/11 No.	2011/12 No.	2012/13 No.	
Agric, forestry and fishing	498	500	1,120	
Mining and quarrying	10,028	11,127	5,501	
Manufacturing	1,561	1,549	3,090	
Wholesale and retail trade	6,483	6,153	2,954	
Finance, property, etc.	2,094	1,850	1,358	
Govt, community and social services	4,228	4,702	6,214	
Infrastructure services	-	-	2,139	
Total				T3.11.3

COMMENT ON LOCAL JOB OPPORTUNITIES:

The municipality from its own initiatives was able to achieve the following success:

1. Created 1293 jobs through CWP and other Supply Chain Management programs.
2. Supported 604 SMMEs through Supply Chain Management, skills development and information sharing.
3. There are Hawkers Associations established in 10 Municipal Wards.
4. 47 Tender Bids allocated to local enterprises valued at R8.3 million.
5. CWP has been rolled out in the 18 Municipal Wards
- 6 Social Labor Plans of the following mines (PMC, FOSKOR and Consolidated Murchison) have been implemented in the various municipal areas (Seloane, Makhushane, Maseke, Majeje, Mashishimake and Phalaborwa

T3.11.4

Job Creation through EPWP* Projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2010/11	10	170
2011/12	10	352
2012/13	7	235
* -Extended Public Works Programme		T3.11.6

Employees: Local Economic Development Services					
Job level	2011/12	2012/13			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0-3	0	1	0	1	100%
4-6	2	2	2	0	100%
7-9	N/A	N/A	N/A	N/A	N/A
10-12	N/A	N/A	N/A	N/A	N/A
13-15	N/A	N/A	N/A	N/A	N/A
16-18	N/A	N/A	N/A	N/A	N/A
19-20	N/A	N/A	N/A	N/A	N/A

Total					
Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.11.8					

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The department consists of the following divisions:

- ✓ Environmental Health
- ✓ Parks and Cemeteries
- ✓ Library Services
- ✓ Traffic and Licensing
- ✓ Mayoral/Special Programmes

Under the Mayoral/Special Programmes there are three officials who are responsible for co-ordinating the programmes, viz:-

- Co-ordinator – HIV/Aids
- Co-ordinator – Youth, Gender, Disability, Children and the Elderly
- Co-ordinator - Sports, Arts and Culture

T3.52.0

3.12 LIBRARIES, ARCHIEVES, MUSEUMS, GALLERIES, COMMUNITY FACILITIES, OTHER (THEATRES, ZOOS, ETC)

INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

The Library has five (five (5) fully established libraries as well as mobile school/community library based at Lebeko High School. Services rendered include print and electronic information resources, audio-visuals, public internet services, inter-library loans, and free access to computers for personal use and photocopying services, user education and library outreach programmes. Our three key priorities are improving access to library services, bridging the digital divide, as well as improve and sustain stakeholder relations. Providing computers and user education in all five fully established libraries; enhance stakeholder participation to increase funding and other resources; as well as improving our library outreach services.

Through improved relations with stakeholders increased staff component by eight, improve library ICT facilities and increase access to library services, improve library collections with constant supply of newspapers.

T3.52.1

Financial performance 2012.13: Libraries, Archives, Museums, Galleries, Community Facilities, other					
Details	2011/12	2012/13			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	49,472	247,000	317,000	138,206	178,794
Expenditure:					
Employees	2,365,446	1,294,439	2,087,679	1,686,549	401,130
Repairs & Maintenance		-	-	-	-
Other	247,020	1,565,000	745,000	275,874	469,126
Total operational expenditure	2,612,466	2,859,439	2,832,679	1,962,423	870,256
Net operational (service) expenditure	- 2,562,995	- 2,612,439	- 2,515,679	- 1,824,218	- 691,461
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual T3.52.5					

Capital expenditure 2011/12: Libraries, Archives, Museums, Galleries, community facilities, other R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all					
Project A	None	None	None	None	None
Project B	None	None	None	None	None
Project C	None	None	None	None	None
Project D	None	None	None	None	none
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) T3.52.6					

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL:

The Library Services functions very well. We also have employees have been seconded to the Municipality by the Provincial Department as well as by Palabora Foundation. These people assist us very much. The Library Services Development Plan has been development, submitted and also approved by Council.

DBSA has donated a lot of books and R500 000 to one of our Libraries at Seloane. However, the existing ICT services is not up to standard and often not in service.

T3.52.7

3.13 CEMETORIES AND CREMATORIALS

INTRODUCTION TO CEMETORIES & CREMATORIALS

The Municipality is able to provide graves on demand. The Municipality is faced with challenges when it comes to the provision of graves during public holidays because the payment for the grave has to be done in Budget and Treasury Office, whilst the allocation is done by Community and Social Services department. There is a challenge when it comes to **control**.

As some of the cemeteries are full, it becomes a challenge as to what is going to happen then. There is also a problem when it comes to fencing of cemeteries as there are no funds. Graves are being vandalized.

The provision of cemetery services to tribal authorities is also a challenge as it is not the function of municipalities. However we assist by providing water and grading.

T3.55.1

Financial performance 2012.13: Cemeteries and Crematoriums					
Details	2011/12	2012/13			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	65,086	125,000	125,000	102,145	22,855
Expenditure:					
Employees	551,629	5,695,435	625,735	183,335	442,400
Repairs & Maintenance	204	500,000	250,000	2,997	247,003
Other	30,064	1,220,000	423,000	79,136	343,864
Total operational expenditure	581,897	7,415,435	1,298,735	265,468	1,033,267
Net operational (service) expenditure	-	-	-	-	-
	516,811	7,290,435	1,173,735	163,323	- 1,010,412
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual					
T3.55.5					

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIALS F OVERALL:

The Municipality is able to provide graves on demand. The Municipality is faced with challenges when it comes to the provision of graves during public holidays because the payment for the grave has to be done in Budget and Treasury Office, whilst the allocation is done by Community and Social Services department. There is a challenge when it comes to **control**.

As some of the cemeteries are full, it becomes a challenge as to what is going to happen then. There is also a problem when it comes to fencing of cemeteries as there are no funds. Graves are being vandalized.

The provision of cemetery services to tribal authorities is also a challenge as it is not the function of municipalities. However we assist by providing water and grading.

T3.55.7

COMPONENT E: ENVIRONMENTAL PROTECTION

3.14 BIO-DIVERSITY, LANDSCAPE (INCL.OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

Environmental and Bio-diversity Management is fragmented within the Municipality with all Directorates being responsible for their own special talents and key performance Areas. It is and has been for some time a strategic intervention of this Municipality to form an Environmental Unit with overall responsibility and coordinating functions. Due to the current unstable financial situation and austerity measures this could however not be implemented but remains a target.

There is also no Environmental Management Plan and Framework in place for the same reasons and it is now obvious that in terms of legislation and processes prevalent we must now plea with the Provincial and National authorities for assistance.

This institution has for 10 years been an active player in the cleanest town and later the Greenest town competition strategy. We have always either been first or second in our district as well as province and have also placed highly in the National competition. This highlights the importance attached to the Environment and Bio-Diversity which has been mainstreamed to all sections and is now included in their operational and maintenance key performance areas.

The area has a number of well controlled parks with lawns and cultivated gardens as well as a number of Parks that have been left in a semi wild state to propagate the green lung effect and maintain open areas. These areas are receiving limited control such as grass cutting and alien plant control. The last scenario present is a number of parks and open areas that are not controlled and left to be wild to preserve the bio-diversity. There are however major challenges with this strategy which include deforestation, poaching and land invasion. The lack of awareness with regards Traditional Authority owned land and the misuse thereof is of great concern with strategies to combat this in the process of formulation.

The concept of only developing "dry" parks that do not require much water or maintenance has also been accepted by this institution as the norm.

T3.60.1

COMPONENT F: HEALTH

3.15 HEALTH INSPECTION, FOOD AND ABBATOIR LICENCING AND INSPECTION, ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABBATOIR LICENCING AND INSPECTIONS, ETC

Mopani District Municipality in the process of transfer of Environmental Health Practitioner Services from local municipalities to the District Municipalities. At this stage this function are "shared" but the local municipality and the Provincial department and officers.

T3.64.1

COMPONENT G: SECURITY AND SAFETY

3.16 OTHER (DISASTER MANAGEMENT)

Disaster Management Function:

Ensure community well-being

Main Purpose:

To administer a comprehensive disaster management program in partnership with all local stakeholders and neighboring jurisdictions in order to save lives, protect property and safeguard departments, operating units, staff, administration and the environment

Main Priorities:

Developing a Disaster Resistant Municipal area

Major Achievements:

Managed to provide shelter, tents, mattresses and blankets to the public which was affected by the floods.

Disaster Management was involved in the following events in conjunction with the South African Police. Not only writing and executing disaster response planning for each event but attended all events.

- ✓ Marula Festival
- ✓ Coronation of Kgoshi Maseke.
- ✓ Festive season panning
- ✓ Premiers visit.
- ✓ Cholera awareness campaign
- ✓ Rabies awareness campaign
- ✓ State of readiness exercise for all role players in the town – hazardous material spill simulation.
- ✓ Several meeting i.e., Kruger National Park Disaster Management Forum, Fire Protection Association, South African Police Cluster meetings and others.
- ✓ Municipal events

Constraints Experienced:

Radio equipment was not functioning because of out of date technology, i.e. repeaters and general maintenance of said equipment.

The approved Disaster Management plan calls for the appointment of a Risk Reduction Officer and an Awareness and Response officer.

Employees: Disaster management, Animal Licensing and control, control of public					
Job level	2010/11	2011/12			
Job Level	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3	0	0	0	0	
4-6	1	1	1	0	
7-9	3	3	3	0	
10-12					
13-15					
16-18					
19-20					
Total	4	4	4	0	
Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.66.4					

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION	
Sport and Recreation is not a Section per se, as the unit consists of only one employee who is a Co-ordinator responsible for Mayoral Programmes. There are also no statistics, but calendar events such as Mayoral Marathon, etc. were held during the financial year. The Sport Council, which caters for all sporting codes, is in place.	
T3.68.0	

3.17 SPORT AND RECREATION

Capital expenditure 2012/13: Sport and Recreation					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all					
Project A	None	None	None	None	None
Project B	None	None	None	None	None
Project C	None	None	None	None	None
Project D	None	None	None	None	None
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)					
T3.68.5					

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES, Etc

Due to financial constraints the Municipality does not have a corporate policy office. Policies are developed by the various department and Quality assured by the legal unit and approved by Council. A master file containing all the policies is maintained by Corporate Services.

T3.69.0

3.18 EXECUTIVE AND COUNCIL

The Council is headed by the Speaker and this is the legislative authority of the Municipality. The Executive committee headed by the Mayor, assisted by the Municipal Manager and Directors deals with the day to day running of the Municipality. The roles and responsibility of the Politicians and the Administration are clearly defined in the approved delegation of Authority. The Development of the delegation of Authority is reviewed and approved yearly by council.

Employees: The Executive and Council					
Job level	2010/11	2011/12			
Job Level	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	2	2	2	0	
4-6	9	13	10	3	
7-9	11	15	11	4	
10-12	1	1	1	0	
13-15	2	4	4	0	
16	17	30	26	4	
Total	42	65	54	11	
Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					

3.19 FINANCIAL SERVICES

Debt recovery								
Details of the types of account raised and recovered	2010/11		2011/12			2012/13		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Billed in year	Estimated outturn for accounts billed in year	Estimated proportion of accounts billed that were collected %
Property Rates						60,257,421	55,000,000	39%
Electricity – B						4,388,741	6,000,000	7%
Electricity - C						50,470,529	69,000,000	77%
Water – B						0	0	
Water – C						0	0	
Sanitation						0	0	
Refuse						9,122,953	7,500,000	39%
Other						0	0	
B-Basic, C-Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them								
T3.70.2								

Employees: Financial Services					
Job level	2011/12	2012/13			
Job Level	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0-3	3	5	4	1	
4-6	9	22	17	5	
7-9	7	24	13	11	
10-12	5	20	6	14	
13-15					
16-18	1	1	1	0	
19-20					
Total	25	72	41	31	
T3.70.4					

3.20 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resource Section performed very well in the following areas :

The Organisational Structure was reviewed in line with IDP and Budget

The section managed to develop and review existing HR policies in line with the SDBIP

The Municipality also has a Bursary Scheme which has helped to capacitate the employees of the Municipality

The Local labour forum is functional and deals with matters of mutual interest

T3.71.1

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

- ✓ The Human Resource Section deals with the Following :
- ✓ Recruitment, Selection and Benefits
- ✓ Skills Development
- ✓ Occupational Health and Safety
- ✓ Labour Relations
- ✓ Organisational Development
- ✓ Employee Wellness

T3.71.2

Employees: Human Resource Services					
Job level	2011/12	2012/13			
Job Level	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3	1	1	1	0	
4-6	3	3	3	0	
7-9	1	5	4	1	
10-12	1	1	1	0	
13-15					
16-18					
19-20					
Total	6	10	9	1	

T3.71.4

Financial performance 2012/13: Human Resource Services					
Details	2011/12	2012/13			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)					
Expenditure:					
Other Employees	2,618,705	3,090,308	3,990,308	3,169,738	820,570
Repairs & Maintenance		60,000	20,000	-	20,000
Other	4,408,839	6,760,000	7,430,200	4,362,779	3,067,421
Total operational expenditure	7,027,544	9,910,308	11,440,508	7,532,518	3,907,990
Net operational (service) expenditure	- 7,027,544	- 9,910,308	- 11,440,508	- 7,532,518	- 3,907,990
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual					

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The Human Resource Section performed very well in the following areas :

The Organisational Structure was reviewed in line with IDP and Budget

The section managed to develop and review existing HR policies in line with the SDBIP

The Municipality also has a Bursary Scheme which has helped to capacitate the employees of the Municipality

The Local labour forum is functional and deals with matters of mutual interest

T3.71.7**3.21 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES****INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES**

- Properly constructed Server Room with environmental controls
- Upgrade of existing Network Infrastructure - LAN (cabling & switches)
- Replacement of ageing equipments (Computers, Laptops, etc)
- Interconnected Municipal Sites
- Stable Internet and e-Mail Services
- Secured ICT Environment
- Backup and Continued Services

T3.72.1**SERVICE STATISTICS FOR ICT SERVICES**

- Provide ICT support to the Municipality,
- Manage of Information Security
- Provide effective maintenance and support services,
- Coordinate of network connectivity,
- Provide effective use of systems and Website
- Distribution and allocation of IT equipment

T3.72.2

Employees: ICT Services					
Job level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	No.	No.	No.		
0-3		01	01		
4-6		03	01	02	
7-9					
10-12					
13-15					
16-18					
19-20					
Total					
Totals should equate to those included in the chapter 4 total employee schedule. Employees and posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustment budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.72.4					

Financial performance 2012/13: ICT Services					
Details	2011/12	2012/13			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)					
Expenditure:					
Other Employees	380,662.89	743,429.00	458,386.00	388,331.63	70,054.37
Repairs & Maintenance	205.79	360,000.00	360,000.00	186,234.31	173,765.69
Other	312,098.51	630,000.00	807,000.00	571,312.43	235,687.57
Total operational expenditure	692,967.19	1,733,429.00	1,625,386.00	1,145,878.37	479,507.63
Net operational (service) expenditure	- 692,967.19	- 1,733,429.00	- 1,625,386.00	- 1,145,878.37	- 479,507.63
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual					
T3.72.5					

Capital expenditure 2011/12: ICT Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all					
Project A	None	None	None	None	None

Project B	None	None	None	None	None
Project C	None	None	None	None	None
Project D	None	None	None	None	None
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) T3.72.6					

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

- Provide ICT support to the Municipality,
- Manage of Information Security
- Provide effective maintenance and support services,
- Coordinate of network connectivity,
- Provide effective use of systems and Website
- Distribution and allocation of IT equipment

T3.72.7

3.22 PROPERTY, LEGAL, RISK MANAGEMENT AND PROCUREMENT SERVICES

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The Municipality did not perform as expected on the Legal services due to the suspension of the Legal advisor , However the legal advisor has resigned and the post will be filled

T3.73.1

SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Offer General Legal advisory services and labour relations

Compliance support

T3.73.2

Financial performance 2012/13: Property; legal; Risk Management and Procurement Services					
R' 000					
Details	2011/12	2012/13			
	Actual	Original budget	Adjustment budget	Actual	Variance to budget
Total operational revenue (excluding tariffs)	-3,370,516.78	-174,000	-305,000	-566,820.23	69.30%
Expenditure:					
Other Employees	9,942,645.03	15,129,154	15,000,445.00	10,453,144.86	-44.73%
Repairs & Maintenance	69,514.32	205,000	105,000	53,343.41	-284.30%
Other	15,729,282.94	9,959,992	6,651,910	11,016,291.48	9.59%
Total operational expenditure	25,741,442.29	25,294,146	21,757,355	21,522,779.75	-17.52%
Net operational (service) expenditure	-22,370,925.51	25120146	21,452,355	20,955,959.52	-19.87%
Net expenditure to be consistent with summary table T51.2 in chapter 5. Variances are calculated by dividing the difference between the actual and original budget by the actual T3.73.5					

Capital expenditure 2012/13: Property; legal; Risk Management and Procurement Services					
R' 000					
Capital Projects	2012/13				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total project value
Total all					
Project A	2,939,400	2,809,400	2,978,168.39	38,768.39	29,781,68.39
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) T3.73.6					

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

INTRODUCTION

The Ba-Phalaborwa Municipality's structure was reviewed, presented to Council and approved on the 29 May 2012. The Organisational Structure reflected a total vacancy rate of 189 positions which came as a result of the growth of the structure, resignations, retirements and deaths.

The municipality took a resolution to fill 89 positions with the limited resources in addressing the vacancy rate. However, at the close of the 2012/13 Financial year, the municipality had filled 91 vacancies excluding internships.

T4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2011/12		2012/13		
	No. Employees	No. Approved posts	No. of employees	No. of vacancies	% of vacancies
Water	26	79	40	39	
Legal	2	2	2	0	
Electricity	18	58	31	27	
Waste Management	69	86	82	4	
Housing	7	7	5	2	
Finance	25	72	41	31	
Roads	28	38	31	7	
ICT	2	4	1	3	
Planning	6	6	4	2	
Local Economic Development	2	2	2	0	
Library	6	20	6	14	
Community & social services (parks & Cemetery)	62	84	66	18	
Disaster Management	4	4	4	0	
Health					
Security & safety (Traffic & licensing)	24	42	37	5	
Special programs	3	3	3	0	
Human Resources	6	10	9	1	
Executive and Council support	44	67	56	11	
Totals	334	584	420	164	
Headings follow the order of services as set out in Chapter 3. Service totals should equate to those included in the chapter 3 employee schedules. Employee and approved posts numbers are as at 30 June.					

Vacancy Rate: 11/12			
Designation	*Total approved posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each)

	No.	No.	category) %
Municipal Manager	1		
CFO	1		
Other S57 Managers (excluding Finance Posts)	4		
Other S57 Managers (Finance posts)			
Municipal Police			
Fire Fighters			
Senior Management: Levels 1-3 (excluding Finance Posts)	16		
Senior Management: Levels 1-3 (Finance Posts)	4		
Highly skilled supervision: Levels 4-6 (excluding Finance posts)	67		
Highly skilled supervision: Levels 4-6 (Finance posts)	22		
Total			

Note: *for posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. senior management) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Turn-over Rate			
Details	Total Appointments as of beginning of financial year No.	Terminations during the financial year No.	Turn-over Rate*
2010/11	23	39	1,7%
2011/12	40	13	0,3%
2012/13	55	46	0,8%
*Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year			
T4.1.3			

COMMENT ON VACANCIES AND TURNOVER:

Two section 57 positions of Director: Planning and Development and Chief Financial Officer became vacant in the financial year 2012/13. The former became vacant as a result of termination of contract and the latter resulted from resignation.

The Municipality took its effort to make sure that the same vacancies were filled within the same financial year and were both filled in October 2012.

T4.1.4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

BA-Phalaborwa , Municipality acknowledge that the employees are its most important assets without with we will not be able to achieve our objective .

All new employees are taken through an Orientation and Induction programme to familiarise themselves with the Corporate culture and the municipal environment.

The condition of service and code of conduct is also given and explained to them

Human Resource policies are developed that assist in the management of employees.

T4.2.0

4.2 POLICIES

HR Policies & Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	100%		28 March 2000
2	Code of Conduct for employees	100%		
3	Delegations, Authorisation & Responsibility	100%	100%	29 May 2013 Resolution 131/13
4	Overtime Policy	100%	100%	29 May 2013
5	Housing accommodation policy	100%		
6	Cell phone and 3g card policy	100%		29 March 2012
7	Internal Communication policy	100%		31 January 2012
8	Funeral Policy	100%		26 June 2007
9	Disciplinary Code and Procedures			As per the collective agreement
10	Essential Services	100%		
11	Employee Assistance / Wellness	100%		28 September 2009
12	Employment Equity	100%	100%	29 May 2013
13	Staff Provisioning policy	100%		28 January 2010
14	Vehicle Transport policy	100%		27 February 2007
15	Induction Manual	100%		26 January 2010
16	Grievance Procedures			As per the Collective agreement
17	HIV/Aids	100%		
18	Training and Development policy	100%		28 January 2010
19	Job Evaluation			
20	Leave policy	100%	60%	Still in the process of approval
21	Occupational Health and Safety policy	100%	100%	29 May 2013
22	Organisational Rights	100%		As per the collective agreement
23	Performance Management and Development			

24	Recruitment, Selection and Appointments	100%		
25	Sexual Harassment	100%		
26	Skills Development(Bursary Policy)	100%	100%	
27	Experiential learning policy	100%	100%	
28	Smoking	100%		
29	Uniforms and Protective Clothing	100%		
30	Information Technology	Standard operating procedure ,Data Centre Policy, Backup Policy, IT Procurement Policy , Change Control Management Policy, Ba-Phalaborwa E-mail Signature Continuity , Information Technology Government Framework.	None	31 July 2012, 27 September 2012
31	Other:			

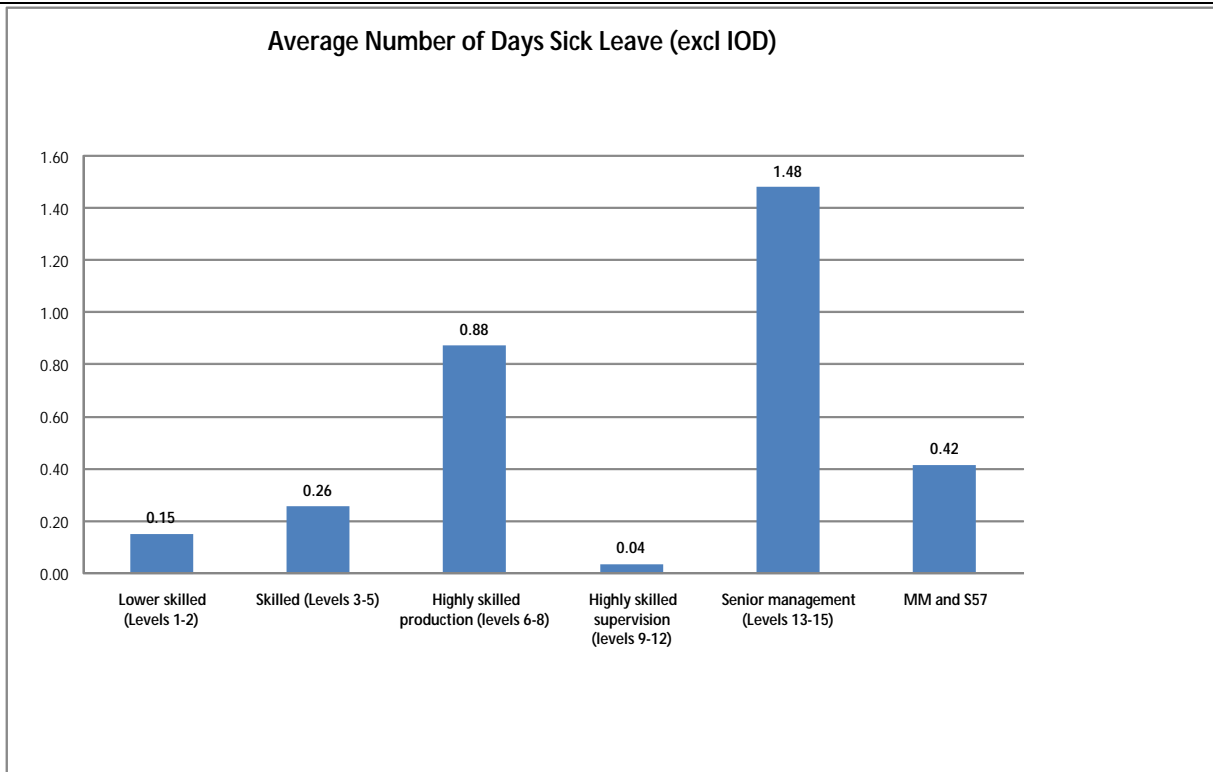
The municipality has developed a number of policies that enables its functioning in terms of the MSA. The policies are reviewed on an annual basis as directed by the SDBIP on the total of policies to be reviewed within a financial year.

T4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and cost of injuries on duty						
Type of injury	Injury leave taken	Employees using injury leave	Proportion employees using sick leave	Average injury leave per employee	Total estimated cost	
	Days		%	Days	R' 000	
Required basic medical attention only	None					
Temporary total disablement	48	5	10%	10		
Permanent disablement						
Fatal	59	2	33%	29		
Total	107	7	43%	39		
T4.3.1						
Number of days and cost of sick leave (excluding injuries on duty)						
Designations	Total sick leave	Proportion of sick leave without medical	Employees using sick leave	Total employees in post*	*Average sick leave per employees	Estimated cost

	Days	certification %	No.	No.	Days	R' 000
Lower skilled (level 1-2)	719	0,01%	88	182	0,25	
Skilled (level 3-5)	263	0,03%	26	73	0,28	
Highly skilled production (levels 6-8)	715	0,11%	61	84	0,12	
Highly skilled supervision (level 9-12)	446	0,15%	42	66	0,15	
Senior management (levels 13-15)	111	0,04	21	23	0,20	
MM & S57						
Total	2254	0,34%	238	428	1%	



COMMENT ON INJURY AND SICK LEAVE:

Safety reps have been appointed to conduct safety talks with employees on a daily basis to reduce injuries' on duty. However, employees who are injured on duty are taken to the Doctor or hospital and given special leave as a result of injury on duty. Employees are taken for medical examinations on a yearly basis to examine if they are not exposed to occupational diseases.

The Human Resources monitor the sick leave and the employees affected are taken for examination and given necessary advices.

T4.3.4

Number and period of suspensions				
Position	Nature of alleged	Date of suspension	Details of	Date finalized

	misconduct		disciplinary action taken or status of case and reasons why not finalized	
1. Assistant Chief Financial Officer	Sexual harassment	23 January 2013 to 29 May 2013.	The Employee was suspended, subjected to a disciplinary process, found guilty and as a sanction was to be suspended for three months without pay, appealed the verdict and sanction and both the verdict and sanction were quashed on the 5 th July 2013.	5 th July 2013
T4.3.5				

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT
<p>The Municipality identify the employees training needs and develop the Workplace Skills Plan on a yearly basis through which employees are capacitated to address the skills gaps in order to improve on performance. The municipality finds it difficult to implement the WSP in its totality due to financial constraints.</p>
T4.5.0

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix												
Management	Gender	Employees in post as at 30 June 2012	Number of skilled employees required and actual as at 30 June 2012									
		No.	Learnerships			Skills programme & other short courses			Other forms of training			Total
			Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011	Actual 30 June 2012	Target	Actual 30 June 2011
MM, S57 & Snr Managers	Female	2				20	24	20				20
	Male	19										

Councilors, senior officials & managers	Female	15				36	32	36				36
	Male	20										
Technicians & associate professionals	Female	2				14	9	14				14
	Male	23										
Professionals	Female	2	None	10	None	10	19	10				10
	Male	14										
Sub Total	Female	21										
	Male	76										
Total		97		10	None	80	84	80				80

Financial competency development: progress report						
Description	A Total number of officials employed by municipality (Regulation 14 (4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: competency assessment completed for a and B (regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with regulation 16 (Regulation 14(4)(f))	Consolidated: Total Number of officials that meet prescribed competency levels (Regulation 14(4)(a))
Financial officials	6		6	2		2
Accounting officer	1	N/A	1	1	1	1
Chief Financial Officer	1		1	1	1	1
Senior Managers	15		15	15	4	13
Any other financial officials						
Supply Chain Management officials						
Heads of SCM units	1		1	1		
SCM senior managers	1		1	1		
Total	25		25	25	6	17
*This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007) T4.5.2						

Skills Development Expenditure			
Management Level	Gender	Employees as at	Original Budget and Actual Expenditure on skills development 2011/12

		the beginning of the financial year	Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57 and Snr Managers	Female	2	None	None	1 470 000	1 004 043	530 000	330 000	2 m	1 334 043
	Male	19								
Legislators, senior officials and managers	Female	15								
	Male	20								
Professionals	Female	3								
	Male	14								
Technicians and associate professionals	Female	2								
	Male	23								
Clerks	Female	50								
	Male	38								
Service and sales workers	Female	13								
	Male	44								
Plant and machine operators and assemblers	Female	3								
	Male	49								
Elementary occupation	Female	69								
	Male	110								
Sub Total	Female	158								
	Male	317								
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan									24%	R2 000 000
T4.5.3										

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The municipality has its training plan which guides the training to be offered to employees for capacity building. The Municipality spent 67% of its targeted training in terms of WSP. However, the municipality

managed to train all sixteen Snr Managers including the Municipal Manager of Minimum Competency requirements and all have acquired certificates of competency towards the qualification.

T4.5.4

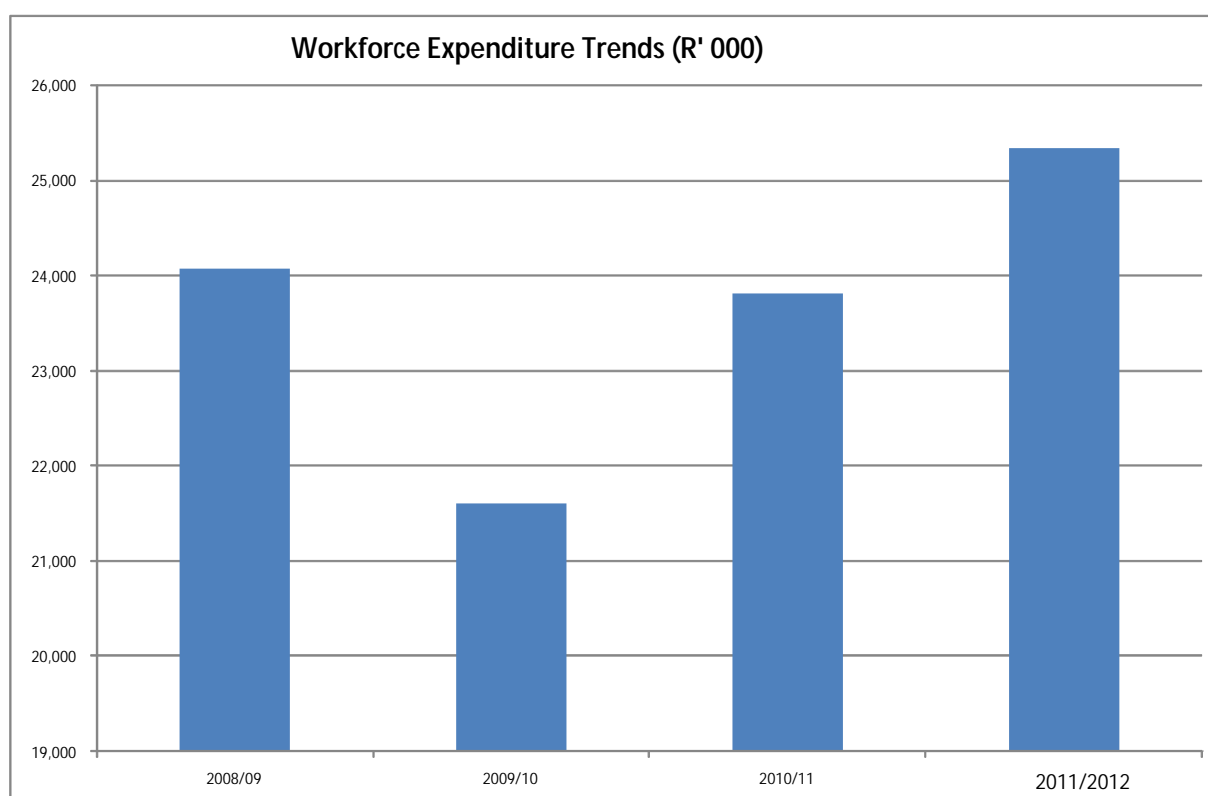
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The Municipality is not able to maintain its workforce because of its geographical location. Vibrant employees always leave the municipality to look for greener pastures in developing areas or cities. This puts the municipality under pressure as positions have to be advertised over and again, at the same time, it is difficult to attract scarce skills. However we are in the process of developing a succession Planning policy.

T4.6.

4.6. EMPLOYEE EXPENDITURE



COMMENT ON WORKFORCE EXPENDITURE:

The Municipality is not able to maintain its workforce because of its geographical location. Vibrant employees always leave the municipality to look for greener pastures in developing areas or cities. This puts the municipality under pressure as positions have to be advertised over and again, at the same time, it is difficult to attract scarce skills. However we are in the process of developing a succession Planning policy.

Number of employees whose salaries were increased due to their positions being upgraded		
Beneficiaries	Gender	Total
Lower skilled (level 16)	Female	98
	Male	84
Skilled (level 14-10)	Female	
	Male	
Highly skilled production (levels 9-7)	Female	
	Male	
Highly skilled supervision (level 6-4)	Female	1
	Male	1
Senior management (levels 3-1)	Female	
	Male	
MM & S57	Female	
	Male	
Total		
Those with disability are shown in brackets `(x)` in the number of beneficiaries column as well as in the numbers at the right hand side		

T4.6.2

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	None	None	None	None

T4.6.4

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

There was not upgraded posts that were at variance with normal practice.

T4.6.5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

The municipality financial performance is assessed mainly on capacity of estimated revenue to be collected, which is billing information. The municipality financial health depicts favourable, but the collection thereof is not sufficient to fund the expenditures incurred.

The municipality is setting funds aside on a yearly basis to fund capital programmes, but to non- payment of services not all projects are realised.

All programmes that are funded from grants are implemented without any challenges.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The municipality has performed fairly much on all the components, except pressure to fund the unforeseen electricity projects after the disaster encountered. The emergency electricity projects were implemented and fully paid without any challenges. It is utmost better reaction to ensure the restoration of services and replacing old equipment's by the new ones.

The financial health of the institution is not favourable when comparing the repayment/ bulk payable to the water board. The ratio depicts insolvency if the entire balances of bulk water have to be paid by the local municipality. The municipality is operating without working capital, it means current collection is used to fund activities without any reserves.

T5.1.0

5.1. STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
Description	2011/12	Current year 2012/13			2012/13 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted budget

Financial Performance						
Property Rates	34,049,284	55,000,000	60,000,000	60,257,422	0.09	0.00
Service charges	73,479,775	99,500,000	101,000,000	79,414,463	0.25	0.27
Investment revenue	41,294,636	77,942,787	77,942,787	42,368,991	0.84	0.84
Transfers recognised – operational	59,909,875	64,761,000	65,261,000	65,471,177	0.01	0.00
Other own revenue	4,195,470	19,419,000	10,508,000	8,557,619	1.27	0.23
	212,929,040			256,069,671	- 0.24	- 0.23
Total revenue (excluding capital transfers and contributions)		316,622,787	314,711,787			
Employees costs	92,800,430.00	88,619,792.77	101,471,909.77	93,712,304	0.05	0.08
Remuneration of councillors	9,053,555.00	13,043,466.22	11,572,322.22	9,051,723	0.44	0.28
Depreciation & asset impairment	74,449,486.00	5,394,828.36	76,500,000.00	178,173,475	0.97	0.57
Finance charges	434,248.00	1,140,000.00	760,000.00	226,094	4.04	2.36
Materials and bulk purchases	56,507,687.00	80,000,000.00	80,000,000.00	53,402,144	0.50	0.50
Transfers and grants						
Other expenditure	83,913,956.00	159,202,699.65	174,725,896.65	63,556,304	1.50	1.75
	317,159,362			398,122,044		
Total Expenditure		347,400,787	445,030,129		0.13	0.12
Surplus (deficit)						
	104,230,322	30,778,000	130,318,342	142,052,373	0.78	0.08
	20,773,702	30,778,000	33,778,000	32,895,477	0.06	0.03
Transfers recognised – capital Contributions recognised – capital & contributed assets	-	-	-	-		
	-	-	-	-		
Surplus (deficit) after capital transfers & contributions	83,456,620	0	96,540,342	109,156,896	1.00	0.12
Share of surplus (deficit) of associates	-	-	-	-		
	-	-	-	-		
Surplus (deficit) for the year	83,456,620	0	96,540,342	109,156,896	1.00	0.12
	-	-	-			
Capital expenditure & funds sources						
Capital expenditure	115,103,573	54,117,400	55,921,400	42,991,000	0.26	0.30
					-	-

Transfers recognised – capital	22,606,430	30,778,000	33,778,000	29,238,108	0.05	0.16
Public contributions & donations					-	-
Borrowing					0.70	0.61
Internally generated funds	92,497,143	23,339,400	22,143,400	13,752,891	-0.26	-0.30
Total source of capital funds	115,103,573	54,117,400	55,921,400	42,991,000		
<u>Financial position</u>						
Total current assets	159,156,933	419,550,000	419,550,000	56,845,466	-6.38	-6.38
Total non- current assets	1,191,920,195	1,171,307,175	1,171,307,175	1,057,189,270	-0.11	-0.11
Total current liabilities	322,786,259	3,100,000	3,100,000	373,493,995	0.99	0.99
Total non-current liabilities	36,618,034			33,735,598	1.00	1.00
Community wealth/equity	991,672,835	1,587,757,175	1,587,757,175	706,805,143	-1.25	-1.25
<u>Cash flows</u>						
Net cash from (used) operating	83,486,299	36,500,406	30,383,406	43,314,974	0.16	0.30
Net cash from (used) investing	39,987,303	29,239,100	32,239,100	42,949,251	0.32	0.25
Net cash from (used) financing	115,031,397			940,880	1.00	1.00
Cash/cash equivalents at the year end	20,895,274	10,661,306	2,686,676	2,066,481	-4.16	-0.30
<u>Cash backing/surplus reconciliation</u>						
Cash and investments available	2,641,637.15	17,000,000	17,000,000	2,066,481	-7.23	-7.23
Application of cash and investments	-	-	-	-	-	-
Balance – surplus (shortfall)	2,641,637	17,000,000	17,000,000	2,066,481	7	7
<u>Asset management</u>						
Asset register summary (WDV)	1,191,920,195	1,179,061,315	1,179,061,315	1,057,189,270	-0.12	-0.12
Depreciation & asset impairment	74,357,462	5,394,828	76,500,000	69,182,379	0.92	-0.11
Renewal of existing assets	-	-	-	-	-	-
Repairs and maintenance	6,853,977	13,735,552	17,393,900	12,434,620	0.10	0.40
<u>Free services</u>						
Cost of free basic services	-	-	-	-	-	-

provided						
Revenue cost of free services provided	-	-	-	-	-	-
<u>Households below minimum service level</u>						
Water	-	-	-	-	-	-
Sanitation/sewerage	-	-	-	-	-	-
Energy	-	-	-	-	-	-
Refuse	-	-	-	-	-	-
Variances are calculated by dividing the difference between actual & original /adjustments budget by the actual. Table is aligned to MBRR table 1						

5.2 GRANTS

Grant Performance						
Description	2011/12	2012/13			2012/13 variance	
	Actual	Budget	Adjustments budget	Actual	Original budget	Adjustments budget
					%	%
Operating transfers and grants						
National Government:						
Equitable share	53,571,000	61,461,000	61,461,000	61,461,000	0,0	0,0
Finance Management grant	1,250,000	1,500,000	1,500,000	1,500,000	0,0	0,0
Municipal systems improvement	790,000	800,000	800,000	800,000	0,0	0,0
Provincial Government						
Health subsidy						
Housing						
Ambulance subsidy						
Sports & recreation						
Other transfers/grants (insert description)						
District municipality						
Other grant providers:						
EPWP	1,129,600	-	500,000	500,000	0,0	0,0

DBSA	1,000,000	1,000,000	1,000,000	1,000,000	0,0	0,0
Total operating transfers & grants	57,740,600	64,761,000	65,261,000	65,261,000	0,0	0,0
Variances are calculated by dividing the difference between actual and original/adjustments budget by actual						
T5.2.1						

COMMENT ON OPERATING TRANSFERS AND GRANTS:

The municipality is the recipient of the following grants:

Municipal Infrastructure Grants, Neighbourhood Development Partnership Grant, Municipal System Improvement Grant and Integrated Electricity Grant

T5.2.2

5.3 ASSET MANAGEMENT

TREATMENT OF THE THREE LARGEST ASSETS				
Assets 1				
Name	Investment Property			
Description	Land			
Asset Type	Land site			
Key staff involved	Community, Strategic Planning, Technical (PMU) and Budget and treasury department and asset department			
Staff responsibilities	Planning , Implementation, monitoring and Facilitate Payment maintenance of asset			
Asset Value	2009/10	2010/11	2011/12	2012/13
	7 024 003	7 024 003	7 024 003	7 024 003
Capital implications	Transfer of an Asset, right to use, control and manage asset			
Future purpose of asset	For rental earnings, capital appreciation and Future economic or Social benefits			
Describe key issues	Conflict of Land and Eviction of Land			
Policies in place to manage asset	Valuation roll inclusion, Investment and asset register policy in place			

Assets 1				
Name	Land and Building			
Description	Improvements on Land			
Asset Type	Building			
Key staff involved	Community, Strategic Planning, Technical (PMU) and Budget and treasury department and Asset department			
Staff responsibilities	Planning , Implementation, monitoring and Facilitate Payment and Safe guarding of assets			
Asset Value	2009/10	2010/11	2011/12	2012/13
	8 116 333.33	7 908 000	7 699 666.67	7 491 333.33
Capital implications	Funding Mechanisms			
Future purpose of asset	Investment For Improvements and Future economic or Social benefits, owner occupier			
Describe key issues	valuation roll not complying to asset register and value for money			
Policies in place to manage asset	Valuation roll, Investment and asset register policy in place			

Asset 3				
Name	Roads			
Description	Infrastructure Roads			
Asset Type	Pavement Road			
Key staff involved	Community, Strategic Planning, Technical (PMU) and Budget and treasury department			
Staff responsibilities	Planning , Implementation, monitoring and Facilitate Payment			
Asset Value	2009/10	2010/11	2011/12	2012/13
	4 792 933.17	4 633 168.73	4 473 404.29	4 313 639.85
Capital implications	Road, Sidewalk and Traffic Signs maintenance, funding mechanisms			
Future purpose of asset	Service Delivery and For Improvements and Future economic or Social benefits			
Describe key issues	Value For Money, Development of a Road Safety Strategy and Action Plan			
Policies in place to manage asset	Asset register policy in place			
				T5.3.2

COMMENT ON ASSET MANAGEMENT:

The above assets of the municipality were based on the fair value in order to comply with the GRAP standards.

Uncertainty about ownership of assets due to many changes in powers and functions; sometimes annually and/ or with retrospective effect, with insufficient consideration of the practical implementation issues.

Clarity is needed where functions are shared between: municipalities and District Municipalities and department

Individual infrastructure assets are not identified, but indicated in the asset register as one line "infrastructure assets", consequently the auditors cannot verify the existence and completeness thereof due physical assets not marked.

The way forward for these is the better cooperation between technical, consultant and finance departments to ensure all assets are identified.

Assets management in the municipality is posing a very serious challenge when it comes to accounting for ownership versus use on land and building. This has been testified during the audit that majority of the municipal land within the area is on the use by resident and the title thereof depicts different scenario.

T5.3.3

Repair and maintenance expenditure 2012/13				
	Original budget	Adjustment budget	Actual	Budget variance

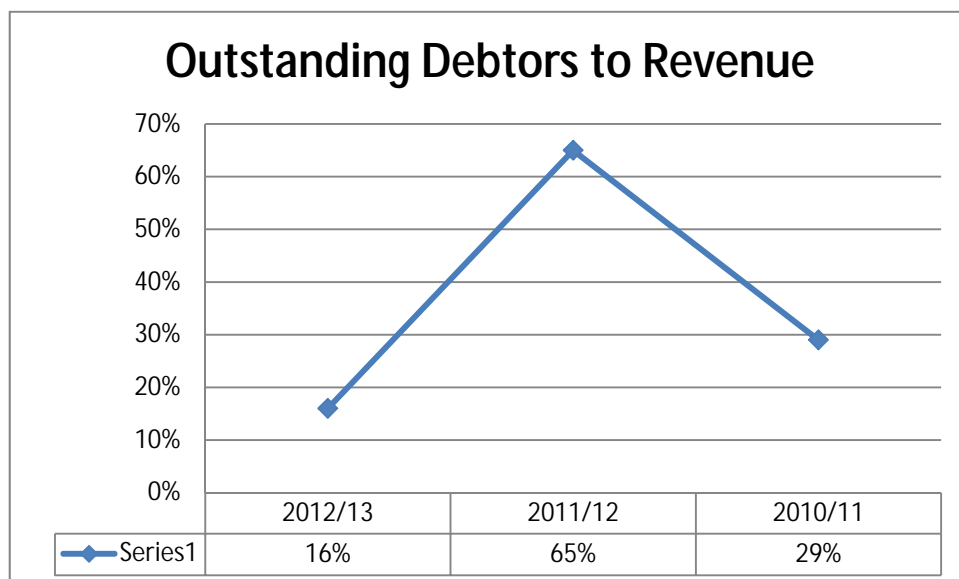
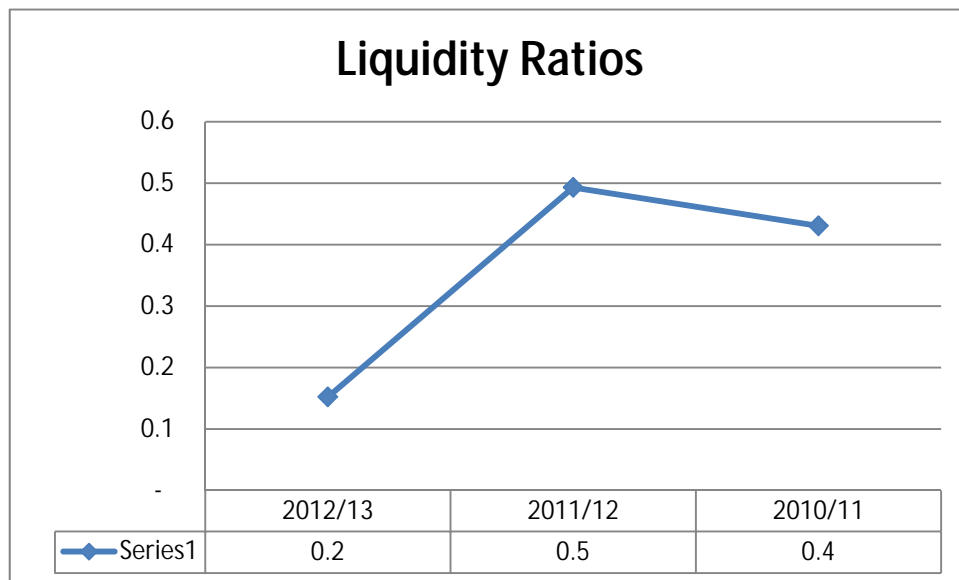
Repairs and maintenance expenditure	13,735,552	17,393,900	12,434,620	-0.40
T5.3.4				

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

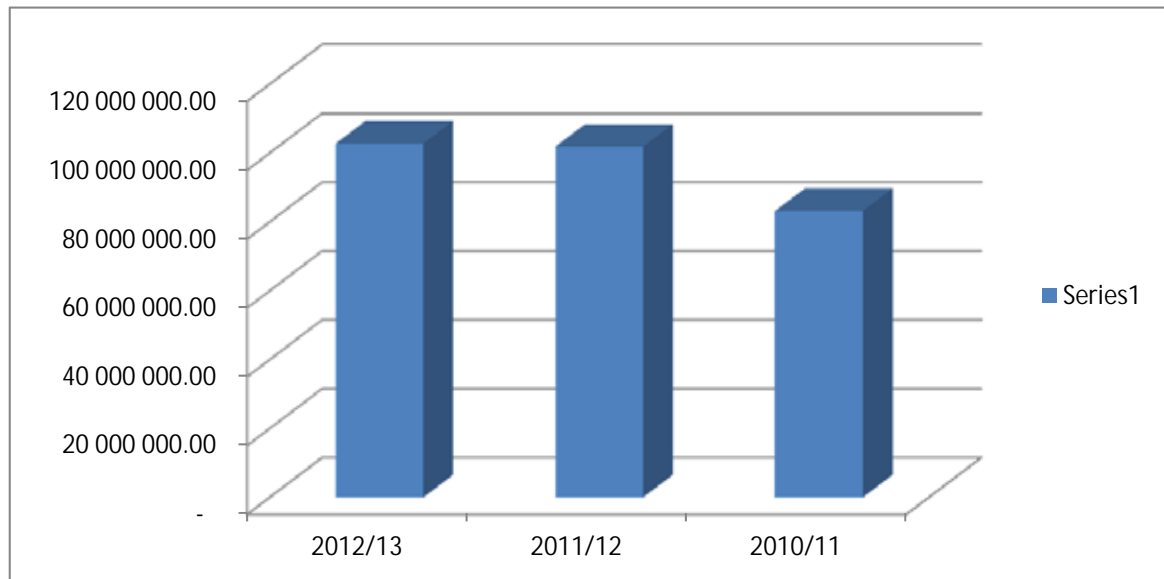
The municipality is expensing very little amount on repairs and maintenance due to lack of funds. The prescribed percentile norm in respect of the repairs and maintenance has not been achieved.

T5.3.4.1

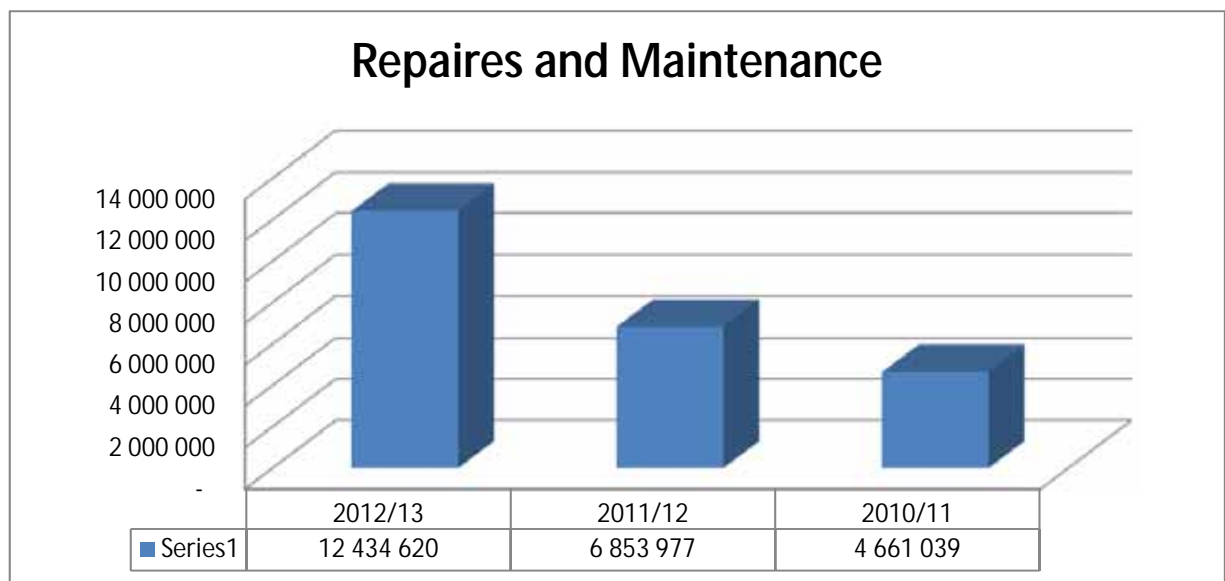
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



Employee Related Cost

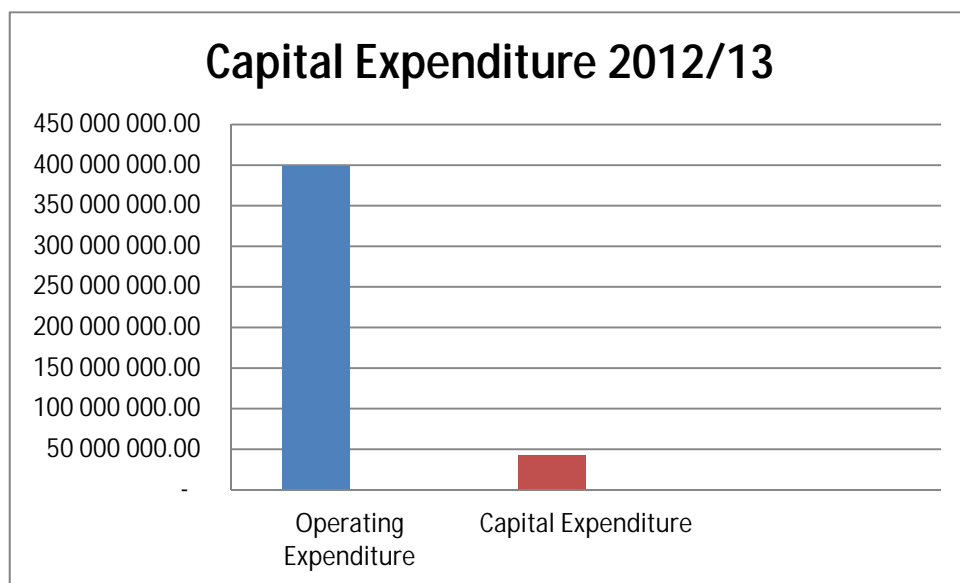


Repaires and Maintenance



COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE



T5.5.1

5.6 SOURCES OF FINANCE

Capital Expenditure – funding sources 2011/12 -2012/13						
Details	2011/12	2012/13				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<i>Source of finance</i>						
External Loans						
Public contributions and donations						
Grants and subsidies	22,606,430	30,778,000	33,778,000	29,238,108	- 0.05	- 0.16
Other	92,497,143	23,339,400	22,143,400	13,752,891	- 0.70	- 0.61
Total	115,103,573	54,117,400	55,921,400	42,991,000	-0.26	-0.30
<i>Percentage of finance</i>						
External Loans						
Public contributions and						

donations						
Grants and subsidies	19.64	56.87	60.40	68.01	0.16	0.11
Other	80.36	43.13	39.60	31.99	-0.35	-0.24
Capital Expenditure						
Water and Sanitation						
Electricity	9,723,016	23,000,000	23,004,000	13,573,912	-0.69	-0.69
Housing						
Roads and storm water	20,235,048	26,778,000	29,778,000	26,168,506	-0.02	-0.14
Other	85,145,509	4,339,400	3,139,400	3,248,582	-0.34	0.03
Total	115,103,573	54,117,400	55,921,400	42,991,000	-0.26	-0.30
<i>Percentage of expenditure</i>						
Water and Sanitation						
Electricity	8.45	42.50	41.14	31.57	-0.35	-0.30
Housing						
Roads and storm water	17.58	49.48	53.25	60.87	0.19	0.13
Other	73.97	8.02	5.61	7.56	-0.06	0.26
T5.6.1						

COMMENT ON SOURCES OF FUNDING:

The municipality is funding on capital programmes using the Grants, internally generated revenue and unconditional grants

T5.6.1.1

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital expenditure of 5 largest projects*					
					R' 000
Name of project	Current year			Variance current year	
	Original budget	Adjustment budget	Actual expenditure	Original variance (%)	Adjustment variance (%)
A-Honiville to Topville street paving	13m		7,5m		

B-Ba-phalaborwa High mast light and energy saving	20m		5.7m		
C- matiko-Xikaya street paving	9m	0,1m	9,1m		
D-					
E-					

***Projects with the highest capital expenditure in 12/13**

Name of project – A	Honiville to Topville street paving
Objective of project	Access road
Delays	Supply of pavement blocks
Future challenges	none
Anticipated citizen benefits	Accessible roads and social and economic development

Name of project – B	Ba-phalaborwa High mast light and energy saving
Objective of project	To minimize crime rate in the area
Delays	none
Future challenges	none
Anticipated citizen benefits	Safe and security

Name of project – C	Matiko-Xikaya street paving
Objective of project	Access road
Delays	none
Future challenges	none
Anticipated citizen benefits	Accessible roads and social and economic development

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Service Backlogs as at 30 June 2013				
	*service level above minimum standard		**service level below minimum standard	
	No. HHs	%HHs	No. HHs	%HHs
Water	37468	91	3648	9%
Sanitation	38057	93	3059	7%
Electricity	37827	92	3289	8%
Waste management				
Housing				
% HHs are the service above/below minimum standard as a proportion of total HHs. `housing` refers to *formal and ** informal settlements				

Municipal Infrastructure Grant (MIG) *Expenditure 2012/13 on service backlogs						
Details	Budget	Adjustments Budget	Actual	Variance		Major Conditions applied by donor (continue below if necessary)
				budget	Adjustments budget	
Infrastructure –Road transport				%	%	
Roads, pavements & bridges	20,778,000	20,778,000	20,778,000	0.0	0.0	
Storm water				%	%	

Infrastructure –Electricity				%	%	
Generation				%	%	
Transmission & Reticulation				%	%	
Street lighting				%	%	
Infrastructure – Sanitation				%	%	
Reticulation				%	%	
Sewerage purification				%	%	
Infrastructure – other				%	%	
Waste management				%	%	
Transportation				%	%	
Gas				%	%	
Other Specify				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	
*MIG is a Government grant program designed to fund a reduction in service backlogs, mainly: Water, Sanitation; roads; electricity,. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. T5.8.3						

COMMENT ON BACKLOGS:

The municipality is receiving MIG for the purposes of developing road infrastructure. The grant is fully expense on a yearly basis

T5.8.4

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESRMENTS

The municipality cash flow management is mainly dependent on current revenue collected. The municipality does have working capital nor surpluses carried over from one financial year to the other. The surplus reported above cannot complete a capital project.

The municipality has went to appoint a services of the debt collector in order to maximise revenue in the township. The situation depicts that the municipality does not expand in terms of future plans due to uncertainty of payment of services by consumers.

T5.9.0

5.9. CASH FLOW

Cash Flow Outcomes		
Description	2011/12	Current Year 2012/13

	Audited Outcome	Original Budget	Adjusted Budget	Actual
Cash Flow From Operating Activities				
Receipts				
Ratepayers and other	78,540,000	194,441,230	224,441,230	204,950,726
Government – operating	60,309,875	64,761,000	65,261,000	65,471,177
Government – Capital	20,373,702	30,778,000	33,778,000	32,895,477
Interest				332,423
Dividends			3,000	
Payments				
Suppliers and employees	(242,275,628)	(252,339,824)	(292,339,824)	(260,108,735)
Finance charges	(434,248)	(1,140,000)	(760,000)	(226,094)
Transfers and grants				
Net Cash From (Used) operating activities	(83,486,299)	36,500,406	30,383,406	43,314,974
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE				
Decrease (increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital Assets	(39,987,303)	(29,239,100)	(32,239,100)	(42,949,251)
Net Cash From (Used) investing activities	(39,987,303)	(29,239,100)	(32,239,100)	(42,949,251)
Cash flows from financing activities				
Receipts				
Short term loans				
Borrowing long term/ refinancing				
Increase (decrease) in consumer deposits	123,037,109			
Payments				
Repayment of borrowing	(8,005,712)			(940,880)
Net Cash From (Used) financing activities	115,031,397	-	-	(940,880)
Net Increase/(Decrease) in cash	(8,442,205)	7,261,306	(1,855,694)	(575,157)
Cash/cash equivalents at the year begin	(12,453,069)	3,400,000	4,542,371	2,641,638
Cash/cash equivalents at the year end	(20,895,274)	10,661,306	2,686,676	2,066,481
Source: MBRR SA7				T5.9.1

COMMENT ON CASH FLOW OUTCOMES:

The municipality cash flow management is mainly dependent on current revenue collected. The municipality does have working capital nor surpluses carried over from one financial year to the other. The surplus reported above cannot complete a capital project.

T5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality did not have any borrowings during the year under reporting

T5.10.1

Municipal and Entity investments			
Investment type	2010/11	2011/12	2012/13
	Actual	Actual	Actual
<u>Municipality</u>			
Securities – National Government			
Listed Corporate Bonds			
Deposits –bank	3,610,074	1,499,267	928,989
Deposits public investment commissioners			
Deposits- corporation for public deposits			
Bankers acceptance certificates			
Negotiable certificates of deposit –banks			
Guaranteed endowment policies (sinking)			
Repurchase agreements – banks			
Municipal bonds			
Other			
Municipality sub-total	3,610,074	1,499,267	928,989
<u>Municipal Entities</u>	N/A	N/A	N/A
Securities – National Government			
Listed Corporate Bonds			
Deposits –bank			
Deposits public investment commissioners			
Deposits- corporation for public deposits			

Bankers acceptance certificates			
Negotiable certificates of deposit –banks			
Guaranteed endowment policies (sinking)			
Repurchase agreements – banks			
Municipal bonds			
Other			
Entities sub-total			
Consolidated total:	3,610,074	1,499,267	928,989
T5.10.4			

COMMENT ON BORROWING AND INVESTMENTS:

The Municipality did not have any borrowings during the year under reporting. *Investments made was on conditional grants that were set aside on the separate bank accounts.*

T5.10.5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

The municipality has not entered into PPP's during the 2012/13 financial year

T5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The municipality has an approved supply chain management policy derived from the model supplied by National Treasury. The policy with its treasury notes guides together with other related pieces of legislation are used when procuring goods and services.

The supply chain management officials are undertaking courses of minimum competency as prescribed by National Treasury guides. There is no interference by Councillors or whatsoever reported so far.

The Auditor General Reports highlights issues of segregation of duties among officials working with supply chain, it is reported that all deviations for single quotes or strip and quotes were reported under irregular.

Management has taken an initiative to ensure that all officials dealing with bid committees must attend refresher courses done by Supply chain practitioner from National Treasury for better understanding and make use of the policies and guides in respect of supply chain management.

T5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The municipality is fully GRAP compliant.

T5.13.1

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A

INTRODUCTION

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA S45 states that the results of performance measurement... must be audited annually by the Auditor-General

T6.0.1

6.1 AUDITORGENERAL REPORTS 2012/13

Auditor-General Report on Financial Performance 2012/13	
Audit Report status*:	Disclaimer
Non-Compliance Issues	Remedial Action Taken
Note: * The report's status is supplied by the Auditor – General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)	

See attached report

T6.1.1

COMPONENT B: AUDITOR-GENERAL OPINION 2012/13

6.2 AUDITOR GENERAL REPORT 2012/13

Auditor-General Report on Financial Performance 2012/13	
Audit Report status*:	Disclaimer
Non-Compliance Issues	Remedial Action Taken
Note: * The report's status is supplied by the Auditor – General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual Report but following the receipt of the Auditor-General Report on Financial Performance 2011/12	
The Audit Action plan is attached	

T6.2.1

Auditor-General Report on service delivery Performance 2012/13	
Audit Report status*:	
Non-Compliance Issues	Remedial Action Taken
*This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor-General Report on service delivery performance 2012/13	
See attached report	

T6.2.2

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS 2012/13

See attached report

T6.2.3

COMMENTS ON AUDITOR-GENERAL'S OPINION 2012/13

The municipality has received a disclaimer audit opinion on the 2013 Annual Financial Statements. Matters of emphasis were mainly on assets management. The municipality is experiencing huge challenge on land issues, most land still indicates the former R293

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES: Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief financial officer states that these data sets have been returned according to the reporting requirements/ with the exception of those items and for those reasons given at **Appendix S** (*delete '/...' if not applicable*).

All the section 71 Reports are submitted as prescribed and sign-off by the Chief Financial Officer.

Signed (Chief financial Officer).....Dated

T6.2.5

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give <i>"full and regular"</i> reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe <i>"what we do"</i> .
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting

	performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> Service delivery & infrastructure Economic development Municipal transformation and institutional development Financial viability and management Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a

	service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

APPENDICES

APPENDIX A–COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/Part Time	Committee Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage apologies for non-attendance
	FT/PT			%	%
Cllr MD Maake	FT	Speaker/ Chairperson of Council	Party Represented	88%	12%
Cllr NA Sono	FT	Mayor / Chairperson of the Executive Committee	Party Represented	94%	6%
Cllr SL Mohlala	FT	Chief Whip	Party Represented	82%	18%
Cllr KP Mhlarhi	PT	Executive Committee/ Corporate Services & Shared Services Chairperson/Member	Ward Represented	94%	6%

		of Local Labour Forum/ Serve in HR Working Group			
Cllr VP Mapanzela	FT	Executive Committee/ Chairperson of Finance	Party Represented	70%	30%
Cllr DM Rapatsa	PT	Executive Committee/Chairperson of Community & Social Services	Party Represented	94%	6%
Cllr MS Magomane	FT	Executive Committee/ Chairperson of Infrastructure development, Roads, Public Transport & water services	Party Represented	65%	25%
Cllr KS Malatji	PT	Executive Committee/ Chairperson of Economic Development, Human Settlement & Spatial Planning	Party Represented	88%	12%
Cllr SR De Beer	PT	Executive Committee/ Member of Finance	Ward Represented	82%	18%
Cllr MM Malatji	PT	Member of Infrastructure development, Roads, Public Transport & water services	Ward Represented	88%	12%
Cllr TJ Malatji	PT	Member of Community & Social Services	Ward Represented	100%	-
Cllr NEN Ndlovu	PT	Member of Corporate & Shared Services	Ward Represented	76%	24%
Cllr MR Popela	PT	Member of Infrastructure development, Roads, Public Transport & water services	Ward Represented	82%	18%
Cllr PG Mabilo	PT	Member of Corporate & Shared Services	Ward Represented	70%	30%
Cllr ST Mkansi	PT	Member of Economic Development, Human Settlement & Spatial Planning	Ward Represented	94%	6%
Cllr KA Peta	PT	Member of MPAC	Ward Represented	88%	12%
Cllr KE Mahomane	PT	Member of Community & Social Services	Ward Represented	94%	6%
Cllr MG Malesa	PT	Member of Community & Social Services	Ward Represented	59%	41%
Cllr BR Mashale	PT	Member of Finance	Ward Represented	76%	24%
Cllr KA Otto	PT	Member of Economic Development, Human Settlement & Spatial Planning	Ward Represented	94%	6%
Cllr IF Mpenyane	PT	Member of Finance	Ward Represented	94%	6%

Cllr R Makasela	PT	Member of Infrastructure development, Roads, Public Transport & water services	Ward Represented	88%	12%
Cllr T Nkuna	PT	Member of Finance	Ward Represented	88%	12%
Cllr MS Chauke	PT	Member of Infrastructure development, Roads, Public Transport & water services	Ward Represented	76%	24%
Cllr MS Mokgalaka	PT	Member of Corporate & Shared Services	Ward Represented	70%	30%
Cllr JG Mashele	PT	Member of MPAC	Party Represented	88%	12%
Cllr MM Malesa	PT	Member of Corporate & Shared Services	Party Represented	100%	-
Cllr PS Mthombeni	PT	Member of Economic Development, Human Settlement & Spatial Planning	Party Represented	59%	41 %
Cllr MO Makwala	PT	Chairperson of MPAC	Party Represented	76%	24%
Cllr MR Monareng	PT	Member of Community & Social Services	Party Represented	88%	12%
Cllr TM Molobane	PT	Member of Community & Social Services	Party Represented	82%	18%
Cllr SR Nkuna	PT	Member of MPAC	Party Represented	82%	18%
Cllr MP Kgoete	PT	Member of Community & Social Services	Party Represented	94%	6%
Cllr MV Mathebula	PT	Member of Infrastructure development, Roads, Public Transport & water services	Party Represented	88%	12%
Cllr H Harri	PT	Member of Economic Development, Human Settlement & Spatial Planning	Party Represented	82%	18%
Cllr GJ Flemming	PT	Member of MPAC	Party Represented	82%	18%
Note: * Councillors' appointed on a proportional basis do not have wards allocated to them					

CONCERNING TA

A spreadsheet exists to compile attendance data

TA.1

APPENDIX B-COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral/Executive Committee) and Purposes of committees	
Municipal Committee	Purpose of Committee

Finance Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Infrastructure Development, Roads, Public Transport and Water Services Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Economic Development, Human Settlement & Spatial Planning Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Corporate Services and Shared Services Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Community & Social Services Portfolio	To monitor the implementation of the municipal IDP/Budget/PMS, strategic objectives and programmes within the functional area of their committee and recommend to the Executive Committee
Local Labour Forum	
Municipal Public Accounts Committee	
Audit Committee	<p>Advise the municipal council, the political office bearers,</p> <p>the accounting officer and the management of the municipality or municipal entity</p> <p>on matters relating to: Internal financial control and internal audits; Risk management;</p> <p>Accounting policies;</p> <p>The adequacy, reliability and accuracy of financial reporting and information;</p> <p>Performance management;</p> <p>Effective governance;</p>
ICT Steering Committee	To advise the accounting officer and Management on issues relating to ICT
District ICT Forum	Sharing of Good Governance Practices

APPENDIX C–THIRD TIER ADMINISTRATIVE STRUCTURE

Municipal/Entity Functions		
Municipal Functions	Function applicable to	Function

	Municipality (Yes/No)*	applicable to Entity (yes/no)
Constitution schedule 4, Part B functions		
Air Pollution	No	District
Building Regulations	Yes	
Child Care facilities	no	
Electricity and gas reticulation	Yes	
Fire fighting services	No	District
Local tourism	Yes	
Municipal airports	Yes	
Municipal planning	Yes	
Municipal Health Services	No	
Municipal Public Transport	No	
Municipal Public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this constitution or any other	Yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related	No	
Storm water management systems in built up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	No	District
<i>Continued next page</i>		

Municipal/Entity Functions		
Municipal Functions	Function Applicable to Municipality (Yes/No)*	Function Applicable to entity (Yes/No)
Constitution schedule 5, Part B Functions:		
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisance	Yes	
Control of undertakings that sell liquor to the public	no	
Facilities for the accommodation, care and burial of animals	No	
Fencing and fences	No	
Licensing of dogs	Yes	
Licensing and control of undertakings that sell food to the public	No	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	No	
Municipal abattoirs	No	
Municipal parks and recreation	Yes	

Municipal roads	Yes	
Noise pollution	Yes	
Pounds	Yes	
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
*if municipality: indicate (yes or No); * if entity: provide name of entity		TD

APPENDIX D – WARD REPORTING

Functionality of Ward Committees						
Ward Name (Number)	Name of ward councillor and elected committee members	Committee established (Yes/No)	Number of monthly committee meetings held during the year	Number of monthly reports submitted to Speakers office on time	Number of quarterly public ward meetings held during year	
Ward 1	Cllr MM Malatji	Yes	12	12	7	
Ward 2	Cllr T Malatji	Yes	10	10	3	
Ward 3	Cllr EN Ndlovu	Yes	9	9	1	
Ward 4	Cllr RM Popela	Yes	12	12	6	
Ward 5	Cllr PG Mabilo	Yes	12	12	3	
Ward 6	Cllr T Mkansi	Yes	11	11	1	
Ward7	Cllr KA Peta	Yes	11	11	4	
Ward 8	Cllr K Mahomane	Yes	11	11	4	
Ward 9	Cllr GM Malesa	Yes	12	12	2	
Ward 10	Cllr R Mashale	Yes	10	10	5	
Ward 11	Cllr R De Beer	Yes	7	7	0	
Ward 12	Cllr KA Otto	Yes	11	11	0	
Ward 13	Cllr KP Mhlarhi	Yes	11	11	5	
Ward 14	Cllr AF Mpenyane	Yes	11	11	5	
Ward 15	Cllr R Makasela	Yes	12	12	5	
Ward 16	Cllr T Nkuna	Yes	9	9	5	
Ward 17	Cllr SM Chauke	Yes	7	7	4	
Ward 18	Cllr SM Mokgalaka	yes	2	2	9	
						WaTE

APPENDIX E-WARD INFORMATION

Capital Projects: Seven Largest in 2012/132 (Full List at Appendix N)				
Ward No	Project Name & Detail	Start Date	End Date	Total Value R' 000
11	Strengthening of Selati, Main and Ext.7 11KV ring feed. Design and construction of two (2) feeder lines from Selati to Ext. 7 substation; and extra 11KV feeder from	01 Jul 2012	30 Jun 2013	7 000

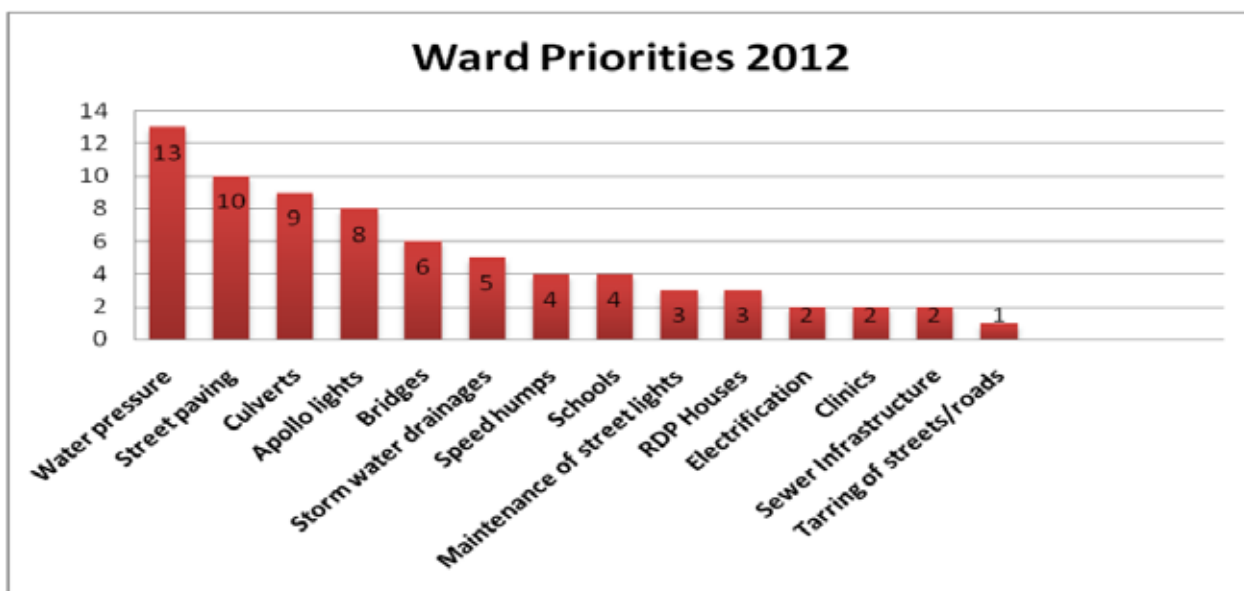
	Ext.7 to Main substation.			
11	Building of New 33/11 switching room	01 Jul 2012	15 May 2013	6 700
16	Electrification of 238 households at Matiko Xikaya	01 Jul 2012	31 Mar 2013	3 528
13	Kurhula Street paving Upgrading of street from gravel to paving	01 Jul 2012	15 Feb 2013	3 500
16	Matiko-Xikaya street paving. Upgrading of street from gravel to paving	01 Jul 2012	15 Jan 2013	3 000
01	Honeyville to Topville street paving. Upgrading of street from gravel to paving.	10 Feb 2013	30 Jun 2013	3 000
01	Provision of electricity services to 382	01 Jul 2012	31 Mar 2013	2 945
TF.1				

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery	33 558	27180	31012	22552	
Households without minimum service delivery	234	6612	2780	11240	
Total Households*	33792	33792	33792	33792	
Houses completed in year					
Shortfall in housing units					4012
*including TF.2		informal		settlements	
Top four service delivery priorities for ward (highest priority first)					
No.	Priority Name and Detail		Progress During 2012/13		
1.	Water pressure & shortage				
2.	Street paving				
3.	culverts				
4	Apollo lights				
TF.3					

See the information below

No	Priority Needs	Ward	Frequency
1.	Water pressure & shortage	1,3,6,7,8,9,10,11,13,15,16,17,18	13
2.	Street paving	1,2,4,5,6,7,9,14,15,16	10
3.	Culverts	1,2,3,8,9,13,14,15,16	9
4.	Apollo lights	2,3,4,5,6,14,17,18	8
5.	Bridges	3,5,8,9,13,14	6

6.	Storm water	4,7,11,12,13	5
7.	Speed humps	2,4,5,17	4
8.	Schools	6,8,17,18	4
9.	Maintenance of street lights	5,11,12	3
10.	RDP Houses	1,4,10	3
11.	Electrification	10,13	2
12.	Clinics	10,16	2
13.	Maintenance of sewer infrastructure	11,12	2
14.	Tarring of streets/roads	1	1



Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2012/13	Recommendations adopted (enter Yes); not adopted (provide explanation)
		TG

See attached Audit Committee Report

APPENDIX G—LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into 2012/13)					
Name of service provider (entity of municipal)	Description of services rendered by the service provider	Start date of contract	Expiry date of contract	Project Manager	Contract Value

department)					
None	None	None	None	None	None
					TH.1

Public Private Partnerships Entered into 2012/13					
					R' 000
Name & Description of project	Name of Partner (s)	Initiation date	Expiry date	Project manager	Value 2012/13
None	None	None	None	None	None
					TH.2

APPENDIX H- DISCLOSURES OF FINANCIAL DISCLOSURES

Disclosures of Financial Interests		
Period 1 July 2012 to 30 June 2013		
Position	Name	Description of financial interest* (Nil/or details)
Mayor	Cllr. NA Sono	Nil
Member of Exco		Nil
	Cllr. S Magomane	Nil
	Cllr. P Mapanzela	Nil
	Cllr. S de Beer	Nil
	Cllr. P Mhlari	Nil
	Cllr. KS Malatji	Nil
	Cllr. DM Rapatsa	Nil
Councillor		
	Cllr. MM Malatji	Nil
	Cllr. TG Malatji	Nil
	Cllr. E Ndlovu	Nil
	Cllr. R Popela	Nil
	Cllr. PG Mabilo	Nil
	Cllr. T Mkansi	Nil
	Cllr. A Peta	Nil
	Cllr. KE Mahomane	Nil
	Cllr. MG Malesa	Nil
	Cllr. Mashale BR	Nil

	Cllr. KA Otto	Nil
	Cllr. FI Mpenyane	Nil
	Cllr. R Makasela	Nil
	Cllr. T Nkuna	Nil
	Cllr. S Chauke	Nil
	Cllr. S Mokgalaka	Nil
	Cllr. MV mathebula	Nil
	Cllr. O Makwala	Nil
	Cllr. SR Nkuna	Nil
	Cllr.P S Mthombeni	Nil
	Cllr. G Mashele	Nil
	Cllr. MR Monareng	Nil
	Cllr. MP Kgoete	Nil
	Cllr. MM Malesa	Nil
	Cllr. Hans Harry	Nil
	Cllr. G Fleming	Nil
Municipal Manager	Dr Sebashe SS	Nil
Chief Financial Officer	Mr. Mushana A	Nil
Deputy MM and (Executive) Directors		
Other S57 Officials		
	Mr. Bayana JW	Nil
	Ms. Moakamela MI	Nil
	Mr. Mashava E	Nil
	Ms. Choenyana KM	Nil
*Financial interests to be disclosed even if they incurred for only part of the year. see MBRR SA34A TJ		

APPENDIX I : REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX I (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue collection performance by vote						
Vote Description	2011/12	Current Year 2012/13			2012/13 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
EXECUTIVE AND COUNCIL	-	-	-	-	-	-
BUDGET AND TREASURY DEPT	131,244,680	197,053,787	202,491,787	166,849,084	0.18	0.21
CORPORATE SERVICES	4,007,302	174,000	305,000	566,820	0.69	0.46
COMMUNITY AND SOCIAL SERVICES	11,648,170	25,024,000	17,544,000	14,157,775	-0.77	-0.24
PLANNING AND DEVELOPMENT	1,824,600	250,000	250,000	1,346,144	0.81	0.81
TECHNICAL SERVICES DEPT	86,174,064	124,899,350	127,899,350	105,958,997	-0.18	-0.21
Total Revenue by vote	234,898,816	347,401,137	348,490,137	288,878,820	-0.20	-0.21
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3 TK.1						

APPENDIX I (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
Description	2011/12	2012/13			2012/13 Variance	
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
Property Rates	34,049,284	55,000,000	60,000,000	60,257,422	0.1	0.0
Property Rates – penalties & collection charges					-	-
Service charges – electricity revenue	64,500,038	92,000,000	92,000,000	70,291,510	0.3	0.3
Service Charges – water revenue						
Service Charges – sanitation revenue						

Service Charges – refuse revenue	8,979,737	7,500,000	9,000,000	9,122,953	0.2	0.0
Service Charges – other						-
Rentals of facilities and equipment	199,884	174,000	305,000	294,842	0.4	0.0
Interest earned – outstanding debtors	41,117,161	77,942,787	77,942,787	42,368,991	0.8	0.8
Dividends received			3,000			-
Fines	425,968	950,000	1,900,000	870,616	0.1	1.2
Licence and permits	1,482,086	16,142,000	6,202,000	2,375,223	5.8	1.6
Agency services	559,946			1,530,663	1.0	1.0
Transfers recognised – operational	59,909,875	64,761,000	65,261,000	65,471,177	0.0	0.0
Other revenue	1,705,061	2,153,000	2,098,000	3,399,947	0.4	0.4
Total Revenue (excluding capital transfers and contributions)	212,929,040	316,622,787	314,711,787	255,983,343	0	0
Variance are calculated by dividing the difference between actual and original/adjustment budget by the actual. This table is aligned to MBRR table A4 TK.2						

APPENDIX J: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: Excluding MIG						
Details	Budget	Adjustment Budget	Actual	Variance		
					Budget	Adjustment Budget
Finance Management grant	1,500,000	1,500,000	1,500,000	0.0	0.0	
Municipal Systems Improvement	800,000	800,000	800,000	0.0	0.0	
EPWP	1,000,000	1,000,000	1,000,000	0.0	0.0	

International Electrification Grant	4,000,000	4,000,000	4,000,000	0.0	0.0	
Neighbourhood Development Grant	6,000,000	9,000,000	8,117,477	0.3	- 0.1	
Total	13,300,000	16,300,000	15,417,477	0.3	- 0.1	
*this includes neighbourhood development partnership grant, public transport infrastructure and systems Grant and any other grant excluding municipal infrastructure grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. TL						

APPENDIX K: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX K (I): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital expenditure – New Assets programme*						
Description	2012/13			Planned capital expenditure		
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by asset class						
<u>Infrastructure – Total</u>						
Infrastructure: Road transport – Total	26,778,000	29,778,000	26,168,506	32,401,380	32,401,380	32,401,380
<i>Roads, pavements & Bridges</i>	26,778,000	29,778,000	26,168,506	32,401,380	32,401,380	32,401,380
<i>Storm water</i>						
Infrastructure: Electricity – Total	23,000,000	23,004,000	13,573,912	27,830,000	27,830,000	27,830,000
<i>Generation</i>						
<i>Transmission & Reticulation</i>	23,000,000	23,004,000	13,573,912	27,830,000	27,830,000	27,830,000
<i>Street Lighting</i>						
Infrastructure: Water – Total						
<i>Dams & Reservoirs</i>						
<i>Water Purification</i>						
<i>Reticulation</i>						
Infrastructure: Sanitation – Total						
<i>Reticulation</i>						
<i>Sewerage Purification</i>						
Infrastructure: Other – Total						

<i>Waste Management</i>						
<i>Transportation</i>						
<i>Gas</i>						
<i>Other</i>						
<u>Community – Total</u>	1,400,000	200,000	174,900			
<i>Parks & Gardens</i>						
<i>Sportsfields& Stadia</i>	500,000					
<i>Swimming pools</i>						
<i>Community halls</i>						
<i>Libraries</i>						
<i>Recreational facilities</i>						
<i>Fire, safety & emergency</i>						
<i>Security and policing</i>						
<i>Buses</i>						
<i>Clinics</i>						
<i>Museums & Art Galleries</i>						
<i>Cemeteries</i>						
<i>Social rental housing</i>						
<i>Other</i>	900,000	200,000	174,900			

Capital Expenditure – new assets programme*						
Description	2012/13			Planned Capital Expenditure		
	Original budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<u>Capital expenditure by asset class</u>						
<u>Heritage assets total</u>						
<i>Buildings</i>						
<i>other</i>						
<i>Investment properties – total</i>						
<i>Housing development</i>						
<i>Other</i>						
<u>Other assets</u>	2,939,400	2,939,400	3,073,682			
<i>General vehicles</i>						
<i>Specialised vehicles</i>						

Plant & Equipment						
Computers – hardware/equipment						
Furniture & other office equipment	2,939,400	2,939,400	3,073,682			
Abattoirs						
Markets						
Civic land and buildings						
Other buildings						
Other Land						
Surplus Assets – (investment or inventory)						
Other						
	-		-	-	-	-
<u>Agricultural Assets</u>						
<i>List sub-class</i>						
<u>Biological assets</u>	-		-	-	-	-
<i>List sub-class</i>						
<u>Intangibles</u>						
<i>Computers–software & programming</i>	-		-	-	-	-
<i>Other (list sub-class)</i>						
<i>Total capital expenditure on renewal of existing assets</i>	-		-	-	-	-
	54,117,400	55,921,400	42,991,000	60,231,380	60,231,380	60,231,380

APPENDIX L – CAPITAL PROGRAMME BY PROJECT 2012/13

Capital Programme by Project 2012/13					
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act-Adj) %	Variance (Act-OB) %
Water					
“Project A”					
“Project B”					
“Project C”					
Sanitation /Sewerage					
“Project A”					
“Project B”					
Electricity					
Electrification of Nyakelang, tshubje &	4,000,000	4,004,000	4,505,779	0.1	0.1

"Project B"					
Housing					
"Project A"					
"Project B"					
Refuse Removal					
"Project A"					
"Project B"					
Storm Water					
"Project A"					
"Project B"					
Economic Development					
"Project A"					
"Project B"					
Sports, Arts & Culture					
"Project A"					
"Project B"					
Environment					
"Project A"					
"Project B"					
Health					
"Project A"					
"Project B"					
Safety & Security					
"Project A"					
"Project B"					
ICT and other					
"Project A"					
"Project B"					
					TN

APPENDIX M – ANNUAL PERFORMANCE REPORT 2012/13 FY

See attached report

VOLUME II: ANNUAL FINANCIAL STATEMENTS (AUDITED)

See attached report